

## PREFACE

Governments do not function in a vacuum. Popular criticism is to them what vitamins are to the human body. They thrive on it. Democratic governments particularly. For, in a true democracy the people are the masters and a democratically elected government must share with the people their plans and programmes, their aspirations and their difficulties. It is this continuous and dynamic contact between the government and the governed that keeps the spirit of democracy alive and makes it function vigorously. And the ultimate test by which every popular government will be judged is whether it has enabled the mass of the people to live a fuller and happier life and to develop their potentialities for individual and social good.

The Congress governments ever since they came into power—in the Provinces in 1946 and at the Centre in August, 1947—have had to pass through a most trying and anxious period. The country had just tided over the war crisis with the attendant dislocation in economic and social life. In its wake came with numbing rapidity a continuous series of unparalleled happenings—the violent political disturbances, the partition of India and its terrible consequences, the communal riots, the influx of helpless refugees driven away from their ancestral homes by an avalanche of communal hatred and fanaticism, and finally to crown all, the tragedy of January 30, 1948 — One Day That Shook The World — the martyrdom of the Mahatma. But India lived through this darkest period of her history guided safely by her patriotic sons in charge of the administration.

It is as well that we bear in mind these difficulties and tragedies which our popular governments have had to face, when we attempt to pass judgment upon them. It is against this background that one should view the achievements of the Congress Ministries at the Centre and in the Provinces briefly





reviewed in this book. There is no question here of dangling the Utopian carrot of plenty before the rabble. It is a modest attempt on the part of the Indian National Congress to lay before the public, an account of the doings of the Provincial and Central governments all of which are today under its control. We have chosen as far as possible to allow the governments themselves to speak about their achievements during the past year and their future programme of activities. That they have done well one who passes might see. If more has not been done it is due to circumstances over which they have had no control.

Another August 15th has come and gone. One year of freedom has passed. What has it meant for the Indian people? The trials and tribulations they have faced all these anxious months are there for all to see. In Jawaharlal Nehru's inimitable phraseology: "We looked forward to the sun of freedom and the opportunity that freedom brings. But though the sun arose it was hidden from us by dark clouds and for us it remained a twilight hour. It has been a long twilight and the brightness of the day is still to come". But despite this, the year that has passed has considerable achievements to its credit and we have gone forward some distance along our long journey. Superficial stresses there are, which are bound to show themselves in any society which is strenuously remaking its life. But these are no more significant than 'the crackling of thorns under the pot.'

One year of freedom ! What has it brought to India's proverbially patient masses ? The following pages we hope will supply the answer.

Our obligations are due to the various provincial governments for supplying us with commendable promptitude textual material and the photographs reproduced here. We are also grateful to the Premiers for their courtesy in complying with our request for a message often in the midst of other more pressing duties.

I am obliged to our popular General Secretary, Acharya Jugal Kishore for readily agreeing to contribute a Foreword to this book. He has some thoughtful things to say which help to illumine the many dark corners in the relationship between the Central Parliamentary Board and the various Ministries guided by it and has given a concrete idea of the nexus which exists between the party organisation and its parliamentary wing.

My thanks are due to my colleague, Miss Mukul Mukherjee, who has done most of the rough work in connection with the preparation of the text for publication. She has given me every help and cooperation and has done her task with sincerity and devotion.

I am indebted to Sardar Harchand Singh for helping me with the appendices on the Central and Provincial Budgets.

For the neat printing and get-up of the book the credit must go to the I. M. H. Press.

*New Delhi*  
*December, 1948*

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*N. V. Rajkumar*



## FOREWORD

The freedom struggle which culminated on the memorable day of 15th of August of the year 1947 in the complete transfer of power from alien hands to the representatives of the people, was a supreme achievement for a people subjected to slavery for the last two centuries. It was unique in the history of the world that a mass struggle conducted by non-violent means should have been so completely successful within 25 years of its inauguration. That the transfer of power should have been peacefully accomplished without bloodshed and without leaving hardly any bitterness between the people and their alien rulers augurs well for the future relationship between the two countries and for the peace of the world.

The most heartrending and tragic events that followed the otherwise peaceful transfer must however remain a matter of shame and sorrow. But these tragic happenings were not inevitable. They were the result of communal hatred which the Muslim League callously and recklessly inculcated in the Muslim masses since 1937 and of the questionable methods they pursued in defeating the national movement. That they had the backing of some reactionary groups in England was obvious. Whether the brutal happenings that followed the transfer of power might have been avoided if greater precautions had been taken is a matter on which there will be many opinions and into which it is profitless to go now.

While India has achieved her freedom, which has been an event of great and universal rejoicing, the partition has left behind not only bitterness between two communities which had lived for centuries in comparative peace and good neighbourliness, but also a host of dangerous problems, whose amicable solution depends upon the restoration of better sense on the other side. It will be for a future historian to judge whether the division has been of any lasting advantage to the people of the two parts. Judging from the attitude of the Muslim League



leaders who were in the Interim Government and from the trend of their politics throughout the country prior to the partition, one cannot help coming to the painful conclusion that if partition had not been agreed upon it would have become almost impossible to conduct the affairs of the country, as we have done, on democratic lines and to build India into a secular and progressive state. I have no doubt in my own mind that if we continue to conduct our affairs in the same spirit in which we have conducted them during the last 12 months, the time is not far off when the people of the severed part will realise the folly of their leaders and would agitate to rejoin us to share the benefits of a free, democratic and secular republic. But for the time being, the problems which the partition has created remain to be solved and must engage our closest attention. We have to meet them wisely and courageously.

Apart from the problems which every administration has normally to meet, the Indian Union is faced today with extraordinary problems partly arising out of partition and largely as a legacy of alien rule. The immediate problems arising out of partition are those of rehabilitation of millions of refugees who had to leave their homeland and all that they possessed in material goods, of easing the communal tension of the war in Kashmir which India was in honour bound to wage and which was thrust upon her as a result of the same cult of hatred and of rapaciousness which has so far characterised the policy and programme of the leaders of the Muslim League who now control the destinies of Pakistan and lastly of the problem of settlement of so many other disputes regarding the honouring of agreements arrived at the time of partition and since then, which are a constant source of irritation.

Besides these immediate and urgent problems arising out of partition, the Congress Governments had a host of other equally serious problems which the British Government had left as their legacy. The character of the administration had deteriorated considerably due to the unchecked powers and the

enormous opportunities to exploit which the services had enjoyed due partly to war conditions and partly as a price of their 'loyal' services in attempting to suppress the 'Quit India' movement of 1942.

The economy of the country which was adjusted to meet the foreign interests was so unbalanced that the new Government did not have the necessary resources to readjust it to meet the expectations of the people. A new policy had to be evolved which would take many years before it could show any appreciable results. Capital goods were lacking and due to blocking of sterling balances and other factors arising out of war such as lack of adequate transport facilities, production of consumer goods could not be increased to meet the prevailing scarcity.

There was also the major problem of hundreds of Indian States which the genius of British rulers had propped up as a bulwark against the growth of the national movement. Before power was transferred, the British Government declared that the Paramountcy which the Crown exercised over the States would lapse and they would be free to join or not any of the two Dominions. But the statesmanlike handling of the situation by our States Ministry brought round the Rulers of the States to appreciate the significance of the changed circumstances. Kashmir and Hyderabad presented a very formidable and disturbing problem. They did not accede to the Indian Union; but all other States adjoining Indian Union territory did so. While the Kashmir Ruler was still hesitating, the raiders from the Frontier aided by Pakistan forced Kashmir to accede to the Indian Union. The Hyderabad issue would also have been settled much earlier but for the support and encouragement it received from Pakistan.

While the Congress Governments were attempting to deal with these formidable problems, the greatest calamity that could befall a free country in its first year was the passing away of the Father of the Nation in a most tragic manner. Not only was he instrumental in leading the country from slavery to



freedom within the life-time of a generation, but the leaders of the Congress, both inside and outside the Ministries, always looked to him for guidance and advice and drew their inspiration and strength from the moral force which he so largely and beneficially exercised over the country. It was he who was mainly responsible in bringing about a healthy change of outlook in the people who under the frenzy of communal passion were being led away from the straight path of nationalism. His passing away has been an irreparable loss to the nation and to the world.

It is against this background that the reader should assess the value of the work done by the Central and Provincial Governments during the first year of India's freedom to set our house in order, to restore our economy and to enhance our prestige and influence in foreign countries. The recent visit of the Prime Minister to Europe has demonstrated the respect and influence Free India has within one year of its life earned abroad. The restoration of civil order and liberties after such terrific communal tension and strife is a tangible indication of the confidence which the Congress continues to enjoy in spite of bitter and uninformed criticism which its detractors never fail to make against it and the Congress Ministries.

The reader might be interested to know in this connection something about the relationship that exists between the Congress organisation and the Congress Ministries. There has been a considerable amount of loose talk about the lack of coordination between the two. In 1937 when the Congress Ministries were formed, the conditions were considerably different. But with the transfer of power the whole approach has changed. In course of time the Congress Parties in the legislatures must assume in larger measure the responsibility of determining the policies and of guiding the ministries. The Congress organisation must continue to maintain some sort of liaison at the top to see that the policies of the Congress are given effect to in time. In matters of administration over which the Parliamentary Board of the Working Committee exercises a general supervision, it is becoming increasingly evident that this kind

of supervision will have to be largely exercised by the Congress Parties in the legislatures. The Congress organisation has on the other hand, to maintain constant contact with the people by way of undertaking nation-building programmes and by mobilising public opinion to secure their active co-operation in the carrying out of Government plans of reconstruction. Trained in the technique of non-cooperation and of waging a fight against the alien government, our people have not yet developed that broad outlook and the sense of responsibility which alone can enable the Government to secure their active cooperation in various measures beneficial to the public. The Congress organisation must continue to train people to develop self-confidence, initiative and self-reliance.

For the purpose of setting up suitable candidates to the various legislatures, every Provincial Congress Committee has an Election Board which makes a selection of candidates and sends the names of such candidates to the Central Election Committee for its approval. By taking greater care in the selection of candidates who can help in formulating policies and in giving proper guidance both to the ministry and to the people, the Congress organisation will be paving the way for a more efficient and smooth working of the ministries.

This brochure depicting the work of the Congress ministries during the first year of our freedom, published by the A.I.C.C. Office, seeks to present a connected and correlated account of the work the Congress Governments both at the Centre and in the Provinces have put in during this momentous period in our history. It attempts to give briefly an overall picture of the many important decisions taken and measures adopted. For a detailed study of these measures the readers are advised to study the various government publications issued from time to time. Dr. N. V. Rajkumar, who is the Secretary of the Foreign Department of the A.I.C.C. has been at pains to give a clear, connected and correct account, and he has admirably succeeded in doing it in these few pages. It will, I hope, afford a very healthy corrective to the misinformed criticism which

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is sometimes levelled by persons who are more interested in misrepresenting the Congress Governments than in offering constructive criticism, more in suppressing facts than in either knowing them or stating them.

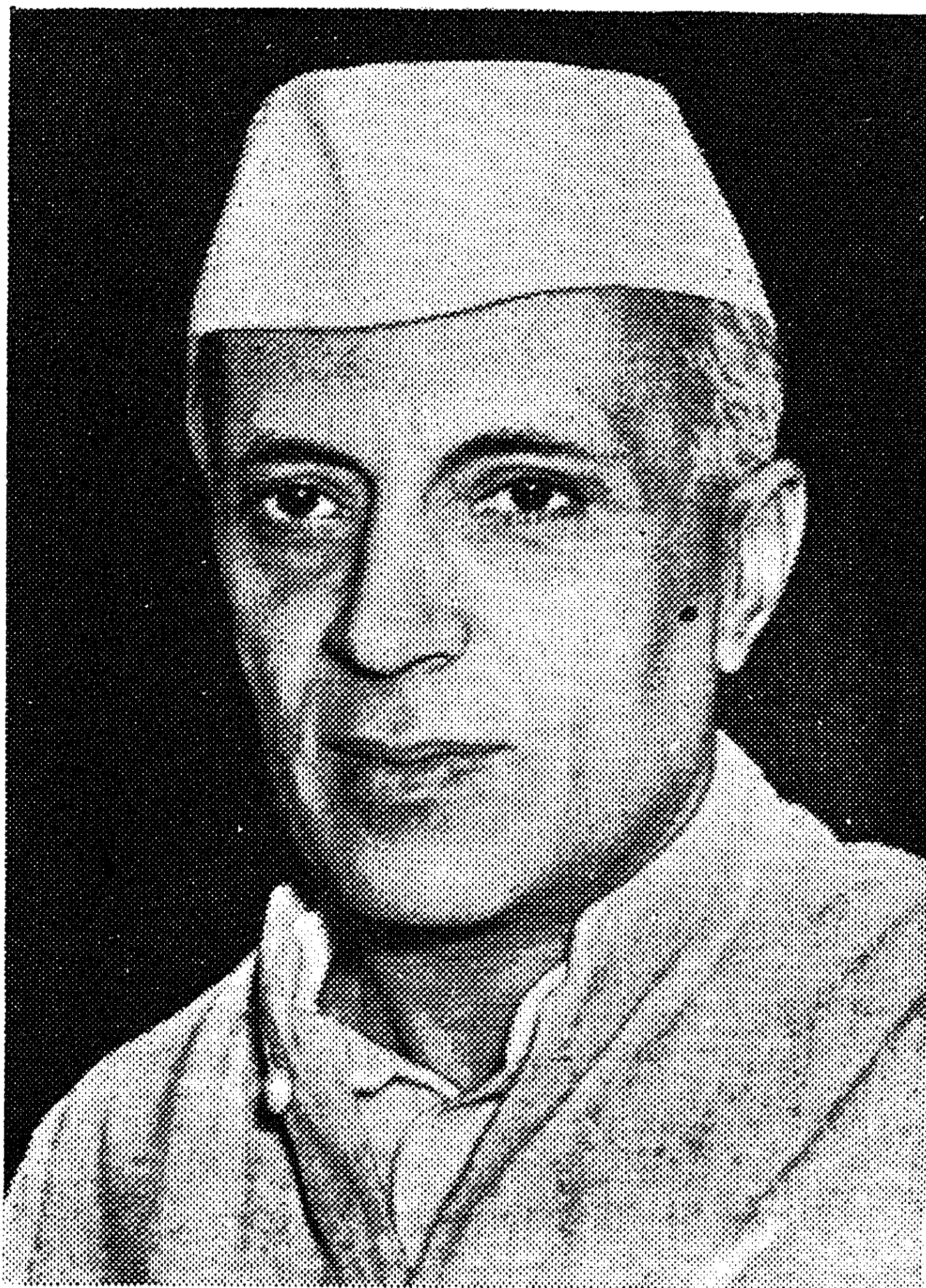
The Congress owes it to the public, for whose welfare it exists and functions and whose confidence it solicits, to place before it as faithfully as is humanly possible, an account of the work it is doing to implement the pledges it has in all conscience made and the programme it has placed before the country. It can only justify its existence as the premier political body, claiming to represent the largest volume of opinion in the country, by the extent of service it renders and by the quantum of actual achievements it can show to its credit. The Congress, ever since it became a mass organisation, has been engaged not merely in organising the people to put up a valiant fight against the autocratic alien regime, and in arousing in them a spirit of service and sacrifice but has also been advocating and undertaking a programme of nation-building activities through whose implementation alone could the nation acquire strength, discipline and experience. An organisation which has been active in mobilising and educating public opinion and canalising the people's energies in order to fight successfully the battle of freedom, must remain conscious of the heavy responsibility it has shouldered and of the more difficult task of rebuilding the nation it has to perform, now that we are free to mould our destinies as we wish. The pages of this book will, I believe, help to convey vividly the significance of the measures adopted by the various Congress governments during the last 12 months in the building up of a healthy and progressive state.

*New Delhi,*  
*December, 1948.*

*JUGAL KISHORE.*



# *A Message from the Prime Minister :*



"All of us talk of India and all of us demand many things from India. What do we give to her in return? India will be what we are; our thoughts and actions will shape her. Born of her fruitful womb, we are children of hers, little bits of the India of to-day, and yet we are also the parents of the India of tomorrow. If we are big, so will India be, and if we grow little-minded and narrow in outlook, so also will India be."

"So let us be rid of everything that limits us and degrades us. Let us cast our fear and communalism and provincialism. Let us build up a free and democratic India, where the interest of the masses of our people has always the first place to which all other interests must submit. Freedom has no meaning unless it brings relief to these masses from their many burdens,"

"All the world suffers from the after-effects of the world war and inflation and rising prices and unemployment oppress the people. In India we have all these and, in addition, the care of vast numbers of our brothers and sisters who have suffered untold hardship and have been driven away from their homes to seek a new life elsewhere. It is this war we have to fight, the war against economic crisis and to rehabilitate the disinherited. In this war there is no hatred or violence but only service of our country and our people. In this war, every Indian can be a soldier. This is no time for individuals or groups to think of a narrow self-interest forgetting the larger good. This is no time for wrangling or the spirit of faction. And so I appeal to all my countrymen and countrywomen who have the love of India in their hearts and the passion to raise her masses, to cast aside the barriers that separate them and to join together in this historic and magnificent task worthy of a great people."

*Jawaharlal Nehru*





Sardar Vallabhbhai Patel



Dr. S. P. Mookherjee



← Dr. John Mathai

# Government of India

## INTRODUCTION

ON 15th August, 1947, political power was transferred from British to Indian hands, and the Congress wing of the Interim Central Government took over charge as the Government of India. But the freedom that was ushered in on that fateful day was conditioned by a partition of the country — a step which was unthought of in the past. And so it was a badly dismembered India that was handed over to the fostering care of the Nehru Government.

The Provinces of Sind and North West Frontier were separated and Bengal and the Punjab partitioned as per the terms of the Radcliffe Award. Adjoining Muslim States like Bhawalpur, Kalat etc. joined the newly created State of Pakistan. The establishment of Pakistan thus reduced the area and population of the original Indian territory to 1220099 sq. miles and about 319 millions respectively. There are now nine Provinces. All the States except those which acceded to Pakistan and Hyderabad State joined the Indian Union and came under the jurisdiction of the Government of India. Economically India lost a substantial portion of her jute, cotton and wheat. Bengal and Punjab lost some of their richest districts.

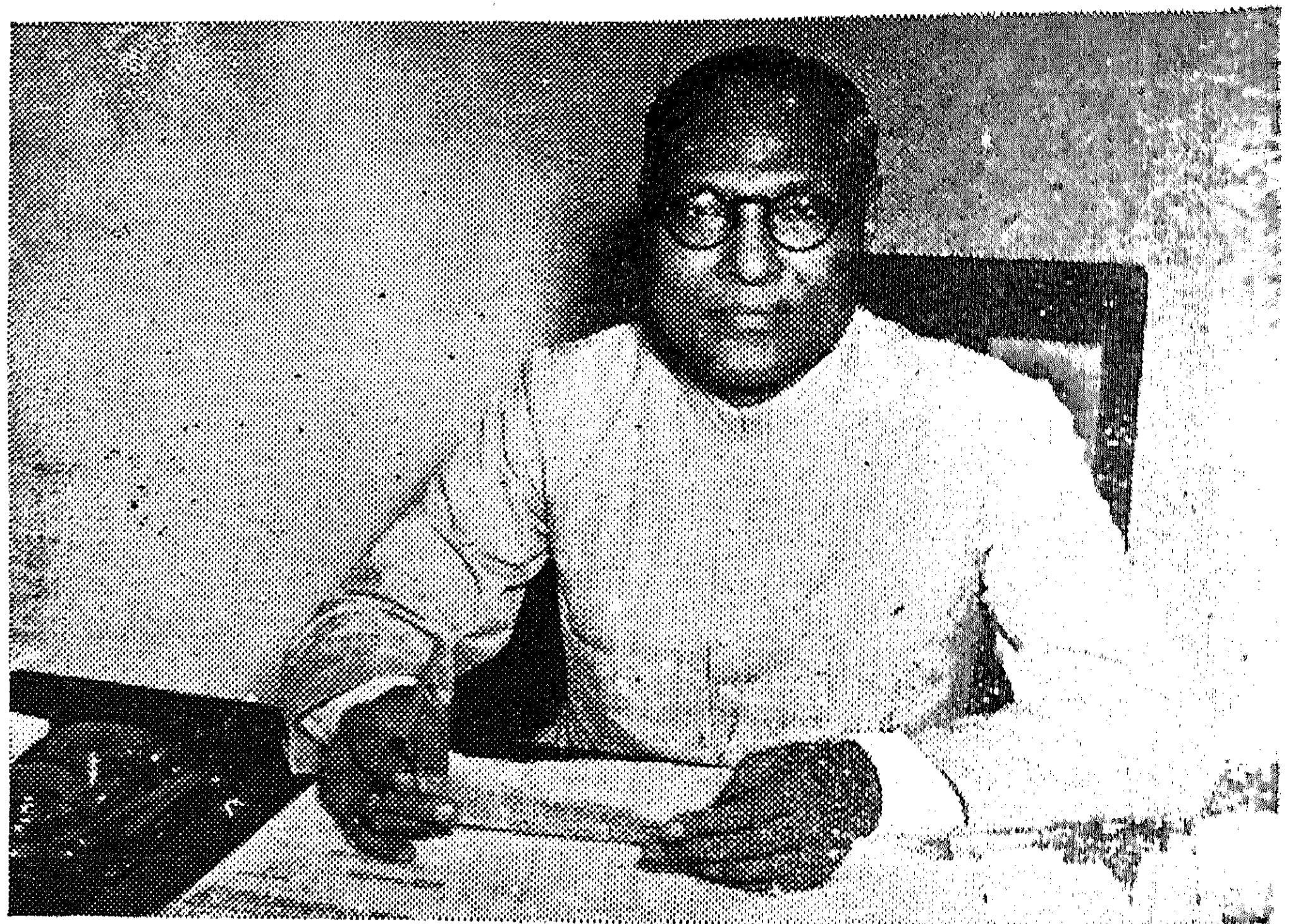
Looking back on the momentous events of the past year there is much to rejoice over many accomplishments for which we can take credit. But there is much also to make us feel sad and humble. Within the past one year there was packed for this country, the sorrows, sufferings and—we need not be modest about it—the high achievements which in the normal tempo of history might have been spread over a generation.



**Maulana Abul-Kalam Azad**



**Shri K. C. Neogy**



**Sardar Baldev Singh**



view to disseminating useful information on health in a popular way to make the people healthminded.

## EDUCATION

The greatest task of the Ministry of Education was to plan ways and means to wipe out illiteracy which impeded progress and kept 85 % of a free people in ignorance. A beginning had no doubt been made in this direction in the Sargent Plan which required 40 years to achieve the object in view. The All India Educational Conference held in January 1948, however, resolved that this period must be substantially reduced. The Conference also recommended that compulsory basic education be introduced for the age-group 6 to 11 in the first instance to be extended later on to children between 11 and 14 years of age. Simultaneously a comprehensive scheme of adult education was to be launched and the training of teachers expedited.

The framework of the Secondary Education System has been recommended to the Government of India after the deliberations of a Committee appointed by the Ministry of Education. After a compulsory Junior Basic course for five years, there would be a Senior Basic or pre-Secondary course for three years and then a Secondary course for four years. Before joining the first year of a degree course, the student would undergo a course of education for 12 years.

The Committee on the medium of instruction at the university stage consisting of vice-chancellors of all the 24 universities in the Indian Union, Dr. S. S. Bhatnagar and Dr. Suniti Kumar Chatterjee, appointed in accordance with the recommendations of the Central Advisory Board and the All India Education Conference met in New Delhi in May, 1948 and resolved that there should be a five-year period of transition during which English should continue to be the medium of instruction and examination in the Universities and that this period should be utilised for the introduction of the regional or state language of the area concerned.

To coordinate the development of university education, the Government of India have reconstituted the University Grants Committee with an enlarged membership. To promote the cause of education, training and welfare of the blind, a special unit has been instituted in the Ministry of Education whose main object is to coordinate the activities in blind-welfare throughout the Indian Union. A grant of Rs. 500/- to meet the travelling expenses of blind children who had come out from Pakistan as refugees and desired to receive education in Ajmer or any other suitable institutions for the blind was sanctioned. The Government of India have also agreed in principle to a suitable grant-in-aid to blind music teachers who have come out as refugees from Pakistan.

The Government of India will soon establish two of the four Higher Technical Institutions recommended by the Higher Technical Education Committee (Sarkar Committee). These will be located near Calcutta and Bombay respectively. An all round development of the Indian Institute of Science, Bangalore, is being carried out with financial assistance from the Government of India. During the financial year 1947-48, a sum of Rs. 13.75 lakhs as capital expenditure and Rs. 5.75 lakhs as interest free loans to nine technological institutions were granted.

Various concessions have been given to displaced students both by the Government of India and the Provinces.

The preservation of historical records and documents was also taken in hand by the Ministry. The 24th session of the Indian Historical Records Commission held in Jaipur in February 1948 recommended the compilation of important records published and unpublished bearing upon the national struggle for freedom.

## INDUSTRY

Almost since the end of the War, but more noticeably from August 1946, there had been a steady decline in

industrial production. As a result of the Industries Conference it became clear that the immediate objective of government planning should be to step up production to existing capacity so as to bring down the prices. The Ministry of Industry and Supply accordingly devised "immediate" plans for some 32 industries, the more important ones among them being steel, cotton, textiles, cement, super-phosphate, paper, drugs, machine tools, motor cars, batteries, and electric motors.

In cotton textiles there has been about 10 to 15 per cent. increase in production during the second quarter of 1948 compared to that of the first. The cotton industry, which is by far the single largest in the country has a block capital of Rs. 100 crores, employs 600,000 workers and runs 10.1 million spindles and 20,000 looms capable of producing 16,500 million lbs. of yarn and weaving 4,700 million yards of cloth. Apart from its value merely as a source of employment and investment, the industry possesses a vast national importance, and yet a gradual decline in production was registered in this industry since 1945. So the Government of India decided on January 21, to decontrol production, pricing and distribution of cotton yarn and cloth, subject to some restrictions on movement.

As expected, the prices rose high with decontrol. Meanwhile production is reported to have increased from 982 million yards of cloth and 313.4 million lbs. of yarn produced in the first quarter of 1948 to nearly 1,090 million yards and 360 million lbs. in the second quarter. This rise in production combined with the urgency felt by the mills, particularly in Bombay and Ahmedabad, for relieving congestion of their stocks has led, of late, to a slight reduction of wholesale prices.

Pursuant to an agreement entered into with Pakistan, India expects to obtain from that Dominion 4 lakhs of bales of cotton by the end of August 1948 and in addition 6.5 lakhs of bales for the next one year, against which India would export cloth and yarn at the rate of 12 bales for every 20 bales of raw cotton supplied. Meanwhile 25,000 bales of Sudan cotton were



purchased in the first quarter of 1948, while negotiations are taking place elsewhere for further quantities.

In the meantime, negotiations have been completed for the import during this year of 100,000 spindles and 1,352 sets of looms from Japan. In order to enable Japanese industry to produce the spindles in time, the Government of India have supplied 30,000 tons of coking coal to that country. This step, it is believed, would hasten the process of expansion in the industry.

History was made, and in a truer sense, revived on March 14, 1948, when the first Indian made steamer, S. S. Jala Usha (8,000 tons) was launched at Vizagapatam harbour from Scindia's ship-building yard by the Prime Minister of India. Another 8,000-tonner of Scindia's is expected to be completed soon from the same yard.

The Hindustan Aircraft Factory at Bangalore, which has been hitherto serving merely as an overhaul, assembly and conversion depot, has now entered the stage of direct production.

An attempt is being made to conserve the fuel supplies of the country by making admixture of power alcohol with petrol compulsory by legislation.

Work on the construction of the Fertiliser Factory at Sindri has commenced and it is expected that within two years the factory will be in a position to supply 350,000 tons of ammonium sulphate per year.

The Government of India have decided to set up as a State enterprise the manufacture of penicillin and paludrine, while the present manufacture of sulpha drugs will receive their special aid for expanding production to the extent of meeting the country's needs.

An Expert Committee on Salt is examining possibilities of improving and increasing salt production in the country

and permission has been given to small-scale manufacturers to utilise not more than 10 acres of land each for production of salt without license.

While there are a number of scientific research organisations in the various Ministries of the Government of India, the central organisation whose activities relate directly to the promotion of industry is the Council of Scientific and Industrial Research. On the eve of independence the Council, with the concurrence of the Government of India, formed a Board of Research on Atomic Energy to advise the Council and the Government on all matters pertaining to the development of atomic energy in India. On the recommendation of the Board, an Atomic Energy Act was passed at the last session of Parliament giving the Government of India control over all matters connected with Atomic Energy development in the country. The Government have appointed an Atomic Energy Commission which will enforce this Act. The Commission will work under the guidance of the Prime Minister. Cosmic Ray Research, the techniques of which are in several ways allied to atomic research, has also received the attention of the Board.

The Council, whose activities constitute the first organised effort in India to popularise the application of science to industry, has under it 24 expert committees which from time to time survey the scientific needs of the various groups of industries and suggest means to develop them.

Physical instruments such as Vacuum - Compressors, Refrigeration machinery, Ammeters and Voltmeters and Diamond tools are being manufactured by experts under the auspices of the Applied Physics Committee.

A Committee termed the Industrial Liaison Committee has been formed under the auspices of the Council to keep in constant touch with the industries on matters relating to the utilisation of the results of researches carried out under its auspices.



## WORKS, MINES AND POWER

For one of its achievements, namely the construction of the Pathankot-Jammu Road, within a period of four months, the Ministry of Works, Mines and Power received instant and nation-wide recognition. The Ravi Bridge at Madhopur, built jointly by Military and Civil engineers of Central Public Works Department will long remain a monument of technical skill.

Never before had the country been so multipurpose-project minded. Government have under contemplation and investigation a number of river development schemes, and they have actually made a start by sanctioning two mammoth schemes, namely Damodar and Hirakud Dam Projects, estimated to cost in all Rs. 103 crores. Several other schemes of this nature are being investigated, the most important amongst them being the development of the Kosi, Narmada and Assam rivers.

Equally important to the future of this country are the twin projects in East Punjab, namely the Nangal Barrage and Bhakra Dam schemes, which will depend to a great extent on financial aid from the Government of India. A number of other river valley projects are also now in various stages of investigation.

As an essential part of the scheme it is proposed to send abroad during the next five years selected engineers for specialised training in methods of design and construction of dams and hydro-electric installations, for which training facilities in India are inadequate at present.

The enactment of the Electricity (Supply) Bill will bring to fruition the efforts of the Ministry to rationalise the production and supply of electricity and to evolve measures conducive to the electrical development of India. Taking the cue from the National Planning Committee which was set up in 1940 under the Chairmanship of Pandit Jawaharlal Nehru, the Electricity (Supply) Bill provides

for the establishment of quasi-autonomous Boards with adequate powers to effect the rationalisation of electricity on the "grid" principle.

Government have also planned to expand the Geological Survey of India to more than 5 times its prewar cadre in order to enable that organisation to conduct extensive as well as intensive survey of mineral resources with the help of modern instruments and methods.

Efforts are being made for increasing the technical manpower in the country relating to mining by reorganisation of the Indian School of Mines, Dhanbad and by aiding the geological and mining faculties of Universities by implementing the recommendations of the Geology Education Committee and by sending abroad students and officials on scholarships and on deputation for higher training in Mining, Geology, Geophysics and allied subjects.

## LABOUR.

The worker today is no longer regarded as a mere commodity of commerce at the mercy of his more fortunate brethren. Among the measures passed since the 15th August last year, the pride of place must be given to the Employees' State Insurance Act, 1948, which ensures the right of labour to social security. Incidentally, this is the first comprehensive enactment in social insurance in all Asia. The benefits to the worker will comprise medical care and treatment, a cash sickness benefit at over half his average daily wage for a maximum period of 56 days, a maternity benefit for women at the rate of 12 annas a day for a period of 12 weeks and disablement and dependents' benefits in the form of pensions for employment injury or death. The right to these benefits will accrue to every worker insured under the scheme.

Another important piece of legislation that has been passed is the revised Factories Bill, which seeks to secure the right of

factory labour to better conditions. The effect of this enactment would be to make the work-places safer, cleaner and healthier and to provide more comforts and amenities for the worker. It will also ensure that the worker gets holidays with pay.

Protection and safety against accidents in docks has been ensured to workers by the recent enforcement of the Dock Workers' Act and the Regulations under it.

Steps have been taken to ensure better conditions for India's 250,000 coalminers. The payment of Wages Act was extended recently to all coalminers.

The Government have been contemplating a scheme to provide a million modern houses for workers in the course of ten years. The construction of the first 750 houses is in progress at present in the coal areas.

The first attempt to regulate wages by legislation was made in the Minimum Wages Act which came into force on March 15th, 1948.

Pledged to raise the standard of living of the masses of the entire country, the Government of Free India have taken it as their first task to study the conditions of agricultural labour with a view to improving them. A Fact Finding Enquiry will be started very soon in over 1800 selected villages in the provinces as well as in the States.

Labour's right to freedom of association and collective bargaining has been recognised in the existing trade union legislation.

Largely through the efforts of the Govt. of India, the Asian Regional Conference of the Indian Labour Organisation was held in New Delhi in October last. The conference brought together the representatives of Government, employers and labour from 20 countries. Workers' representatives took part in their own right in the



deliberations of the conference and shaped the policies and resolutions adopted. The studies and discussions at the conference have shown the way for improving the conditions of working class population in Asia. When the resolutions are implemented, it may well prove to be the first step in the creation of social and economic democracy in resurgent Asia.

## COMMERCE

The country has not yet been able to get over the dislocation in commercial relations caused by the War. Nevertheless, government have taken steps to revive commercial connections with important trading countries like Japan. A trade delegation is now visiting Germany and other European countries. It has been decided to expand the Indian Trade Commissioners' organisation in Commonwealth countries and to appoint commercial officers in countries outside the Commonwealth.

It has also been settled that capital goods and certain industrial raw materials should generally be licensed freely, while consumer goods should either not be licensed at all or their import restricted by fixing monetary "ceilings", taking into account the reasonable needs of industry.

It became increasingly difficult from the beginning of 1948 to find adequate dollar exchange for imports. Hence goods from dollar countries as well as other hard currency areas had to be severely restricted. Accordingly, Open General Licence No. IX was cancelled in January; and not long afterwards a list was published detailing those articles—mainly capital goods—for which alone licences for import from hard areas would be given. This Open General License had covered a wide range of articles, including machine parts, machine-made cloth, agricultural implements, woollen and cotton fabrics, copra, coconut oil, mineral oil, raw silk, cotton yarn, raw wool, wood pulp, raw hides and skins. Goods

covered by this licence began to be freely licensed from non-dollar areas.

On July 3, 1948, the Government announced that, as a result of the half-yearly review of India's foreign exchange position, they had decided forthwith to remove control over certain categories of goods from sterling and other soft currency countries. Their import would be covered by a new Open General Licence—No. XI. The list of articles affected by this further "let-up" includes jute mill stores, textile mill stores, printing machinery, coal-tar dyes, specified electrical instruments, cotton piece-goods, woollen yarn, razor blades, thermos-flasks, etc.

Addressing a meeting of the Export Advisory Council in November 1947, Shri C. H. Bhabha, the then Commerce Minister., stressed that our aim should be to meet a substantial portion of the deficit in the country's international balance of payments by increased exports and re-exports.

The items, shipment of which during the first half of this year recorded considerable increases over comparable figures for 1947, were hemp, bones and manures, mica, castor oil, linseed oil, groundnut oil, miscellaneous seeds, gums and resins, dyeing and tanning substances.

Apart from removing various commodities from the operation of export control or liberalising the quantum of their export, the Government have also removed various restrictions on the prices at which certain commodities can be exported. Now the only restrictions in this regard concern export of cloth to Australia, East Africa and the Sudan. These have been kept in view of India's agreements with those countries for the import of foodgrains and cotton.

The Partition Council decided that movement of goods between India and Pakistan should be allowed freely as before up to February 29, 1948, unless a Trade Agreement could be

reached between the two Dominions. In May, an Inter-Dominion Conference was held in Calcutta. As a result, the Government of India decided to allow the export of fresh fruits, fresh vegetables, fresh milk and milk products, fish, poultry and eggs and local spices by land to Pakistan without any licensing restrictions. Subsequently on May 26 an agreement for the mutual supply of certain essential commodities was signed at Karachi by both Governments. Under the agreement, India is to supply Pakistan agreed quantities of coal, cloth and yarn, steel, pig iron and scrap, corrugated iron sheets, paper and board, certain chemicals and pharmaceuticals, asbestos cement sheets, paints, enamels and varnishes, leather and footwear, jute manufactures, myrobalans, woollen and worsted goods, mustard oil, groundnut oil, soap, tobacco and tea chests. Pakistan in return will supply India with agreed quantities of raw jute, raw cotton, food grains, gypsum, raw hides and skins, rock salt, potassium nitrate and 500 heads of cattle.

On November 21, 1947 the United Nations Conference on Trade and Employment assembled at Havana, Cuba, to consider a draft Charter submitted by the Preparatory Committee on Trade and Employment, of which India was a member and which had met earlier in London and Geneva. Throughout the deliberations in the Preparatory Committee and at the Havana Conference, India maintained that the terms of the Charter should be such as would meet the legitimate aspirations of comparatively under-developed countries and that the administration of the Charter must be in the hands of a body fully representative of the different types of economy. The document as finally adopted goes a long way towards meeting these claims. Accordingly, 23 nations (India included) sharing among them nearly 70 per cent of the export and import trade of the world, signified their acceptance of the text of a document called the General Agreement on Tariffs and Trade. This agreement was published in New Delhi and the capitals of the other contracting nations on November 18. It was left open to the nations up to June 30, 1948 to sign the Protocol of



Provisional Application of the General Agreement and to give effect to the tariff concessions set forth therein within 30 days. India's Permanent Representative to the United Nations signed the Protocol on June 8 and a month later the Government passed orders giving effect to the tariff concessions to be accorded by India under the General Agreement. Action was taken under the Sea Customs Act, 1878 to lower rates of import duty on 59 items in the Indian Customs Tariff in order that the new rates may conform to those laid down in the General Agreement.

## COMMUNICATIONS.

The establishment of a state-owned automatic telephone factory in India this year is an achievement of far reaching importance in the field of India's communications. A site for the construction of the factory has been selected in Bangalore and temporary hangars are being put up for starting the assembling of automatic telephones. New tele-communication lines were completed in the East Punjab by September in record time. Another remarkable achievement was the forging of new telecommunication links with Kashmir. A trunk carrier line was installed between Amritsar and Jammu by the end of November 1947, for which most of the line stores and equipment were flown. Some urgency was felt in connecting Indian States bordering Pakistan with the national trunk telephone network. So a new line, about 500 miles long was erected to connect Bikaner with the trunk system.

Further, to improve the means of communication wireless links were set up between Delhi and Jullundur, Amritsar, Hissar, Ambala, Gurdaspur, Jammu and between Calcutta, Agartala, Gauhati and Shillong. An important expansion in India's overseas communications was the inauguration of news wirelessness from Delhi to various Indian Embassies abroad.

Great improvement in the postal services has taken place during the last few months. In May an experimental post office

on wheels was introduced in the Nagpur Circle to serve about 38 villages round about Wardha. If the experiment is successful, it is proposed to run more post offices of the kind to serve remote rural posts. Between September and November 1947, when normal train services had stopped between Delhi and the East Punjab, postal communication was kept up by a specially chartered air service. Similarly, on the eastern side, it was decided to carry all first class mail by air from Calcutta to Gauhati. Since the partition of the country all direct links with Assam were cut off. But now a direct mail route connecting Calcutta and Golakganj through Indian territory has been completed. An air service was started between Delhi and Srinagar for the carriage of mails from October 1947. More air mail links were established with the expansion of air services and with the introduction of more halts. These included Bhuvaneshwar, Agartala, Patna, Bikaner, Lucknow, etc., besides Srinagar and Gauhati. Opportunity was also taken to convey mails through Indian air services from Bombay to London and from Calcutta to Rangoon. A new airmail service to Japan, Korea, Guam, Hawaii Island and for the Phillipines was arranged with the Pan-American Airways from Calcutta.

The inauguration of India's external air service between Bombay and London marked a mile-stone in the country's progress in air transport. A new company, Air India International Ltd., was formed by the Government of India as joint State cum private enterprise with an authorised capital of Rs. 7 crores and an initial paid-up capital of Rs. 2 crores. Bilateral air transport agreements were concluded during the period with Pakistan and Sweden. Temporary arrangements were entered into with Australia, China, Egypt and Switzerland. Negotiations are going on for long-term agreements with these countries and with the United Kingdom and Iran. 41 air services are now operated on 27 routes as against 28 services on 18 routes in 1947.

## TRANSPORT.

### Railways

The division of India resulted in a considerable dislocation of India's communication system. 40,525 miles of railway line were split up and 6,659 miles of line in Sind, North West Frontier Province, West Punjab and East Bengal within the Pakistan territory went to Pakistan. For practical reasons several of the major workshops were not divided and they were allowed to remain where they were.

One important outcome of partition which greatly impaired the efficiency of railway operation and maintenance was the staff position. Railway staff, like the rest of Government employees, were allowed to exercise the option of either serving in India or in Pakistan. About 83,000 opted for Pakistan while the number that opted for Indian railways was 73,000. Unfortunately however the Muslims who opted for Pakistan had larger representation in certain categories on some of the railways. As a result, these categories became grossly undermanned on Indian railways while others were not affected. Partition also meant a change in the direction of the flow of traffic, resulting in serious congestion on certain routes.

Six years of war and a year of political trial and tribulation, followed by the partition of the country, have played havoc with the rolling stock and power position of the Indian railways. Spares were not readily available, labour was restive and maintenance was at a low ebb. Operating efficiency was therefore at a discount and return to the normal was only possible if the overaged locomotives were scrapped and replaced by new locomotives, the present coaching stock augmented by new construction and vital components and essential spare parts for locomotives either manufactured or imported to meet the day-to-day requirements of workshops and running sheds. The Ministry of Railways during the year have made all-out efforts to bring the power and rolling stock



position to normal. A total of 490 broad gauge and 58 metre gauge passenger engines are either on order from the United Kingdom or the United States of America or are being built in India itself. Efforts have also been made to obtain loco spares of indigenous manufacture. With the cooperation of the Defence Ministry it has been possible to utilise increasingly the surplus capacity of ordnance factories for the manufacture of spare parts. Indents have also been placed with private firms for the manufacture of spare parts. In this connection it may be of interest to mention the recent visit to Europe of Mr. K. C. Bakhle, Chief Commissioner of Railways, on a purchasing mission.

The Railway Board's project for a locomotive factory at Mihijam, near Asansol, has made considerable progress during the year and is scheduled to be completed by the end of 1950. This factory, together with Tata's Locomotive Factory, is expected to make India selfsufficient in regard to steam locomotives.

Another direction in which improvement has been effected is in the acceleration of goods traffic. To facilitate quicker movement of goods and the utilization of maximum wagon capacity available for transport, a system of despatch by train-loads has been introduced. This has considerable advantage over dispersed movement over scattered areas. Marsha-lling time is reduced and the wagons are made available much more quickly and the trains return to the base with other commodities needed in that sector. The improvement effected by these measures is reflected in the steady increase in goods traffic. There has been a 33.2 percent increase during March, 1948 over the figure for October 1947. The railways have worked out or have under consideration various schemes to step up coal transport. All long-distance movements of coal would be by sea instead of by rail.

There has been an enormous increase in the working expenses of the Railways due to the implementation

of the Pay Commission's recommendations. There have also been several leakages of revenue, particularly from ticketless travel. All these factors necessitated an increase in the passenger fares in all classes from January 1, 1948. Under the new fares, I class costs 6 pies more per mile, II class 4 pies more, Inter class about  $2\frac{1}{2}$  pies more and III class 2 pies more on mail trains and 1 pie more on ordinary trains.

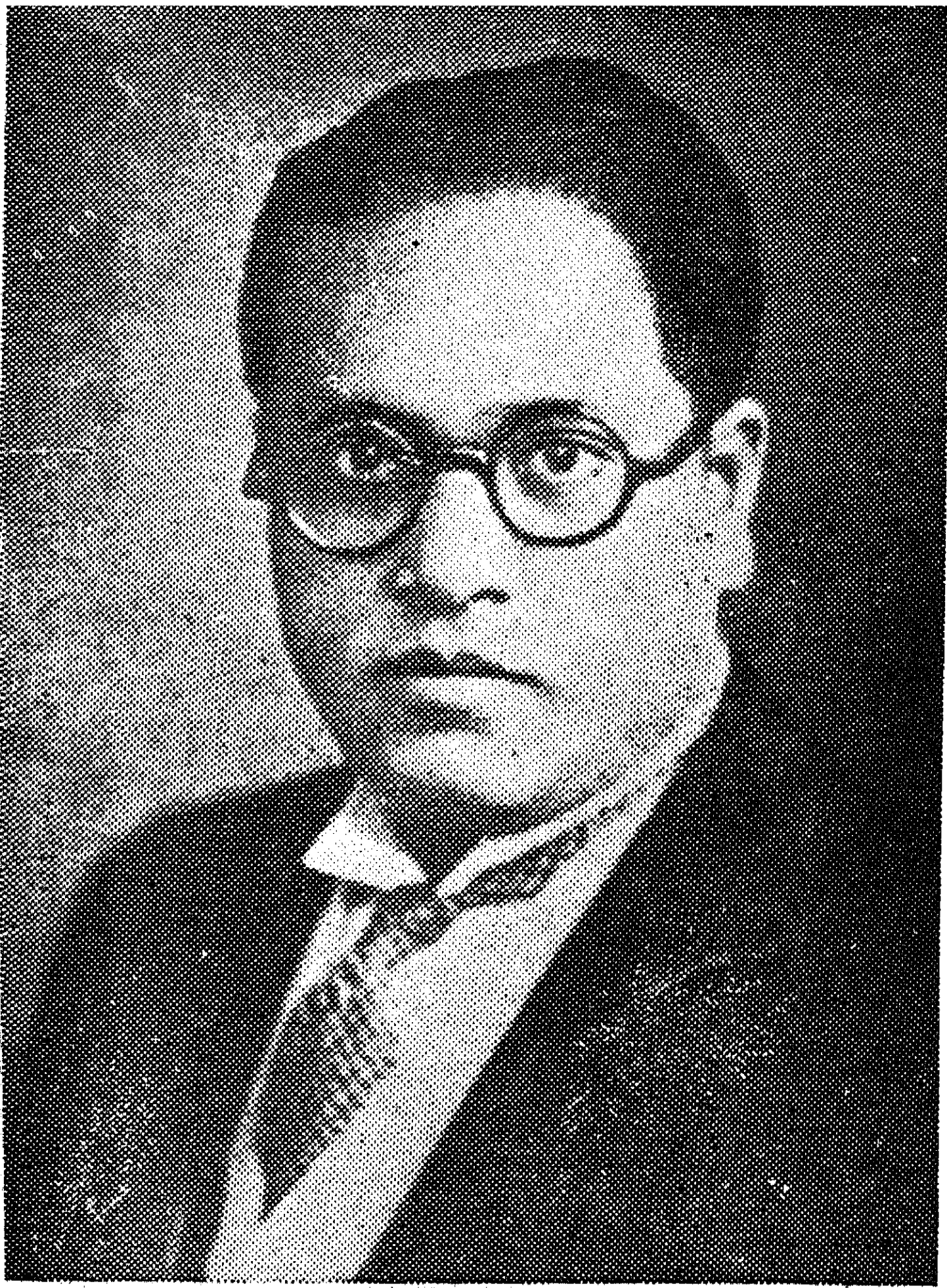
Railways are now carrying more than twice the number of passengers they used to carry in 1938-39, while the passenger train capacity available is about 15 percent less than what it was in 1938-39. The whole problem of passenger transport hinges on the availability of locomotives and coaching stock. However, every possible effort is being made by the railways to mitigate overcrowding. To this end, orders have been placed for the manufacture of additional coaches in local railway workshops.

A novel experiment in the field of social service on railways is the appointment of women social guides on the East Punjab Railway to help and guide women passengers entraining and detraining at Delhi. This scheme is being extended to a number of other stations over the E. P. Railway.

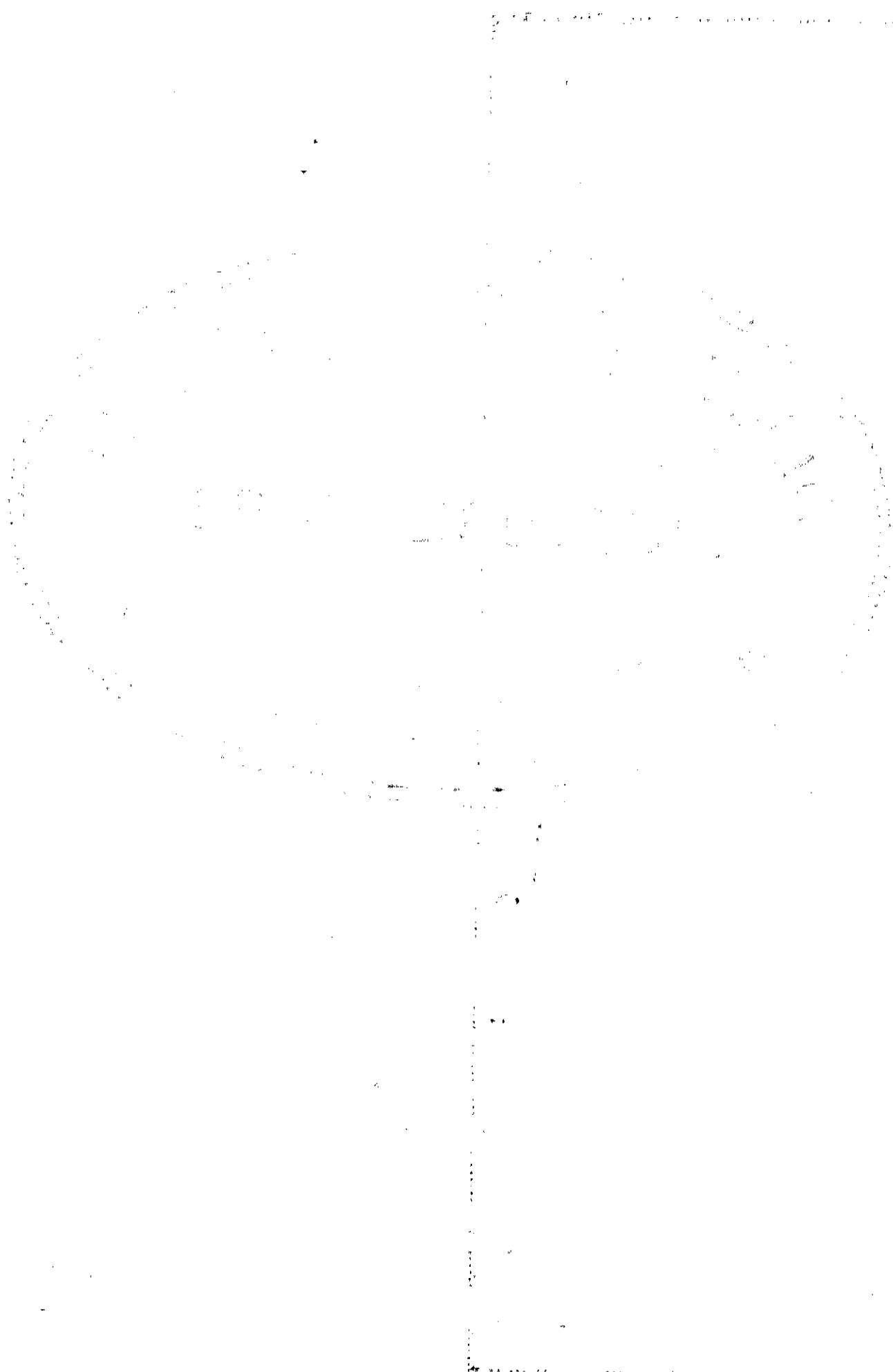
Having regard to the need to reduce railway expenditure as far as practicable, the Railway Board abolished, during the year three Directorates as well as a number of other individual posts such as one Joint Director, 5 Deputy Directors and 2 Assistant Directors involving a saving of Rs. 2 lakhs. The question of further economy and improved efficiency in all branches of railway working is being investigated by the Indian Railway Enquiry Committee which was reconstituted in March this year with Pandit Kunzru as chairman. The Committee has since toured a number of places, collecting evidence and holding discussions with railway officers and staff and is expected to submit its report shortly.

During the year under review extensive schemes were undertaken for the provision of staff quarters at Kharagpur,

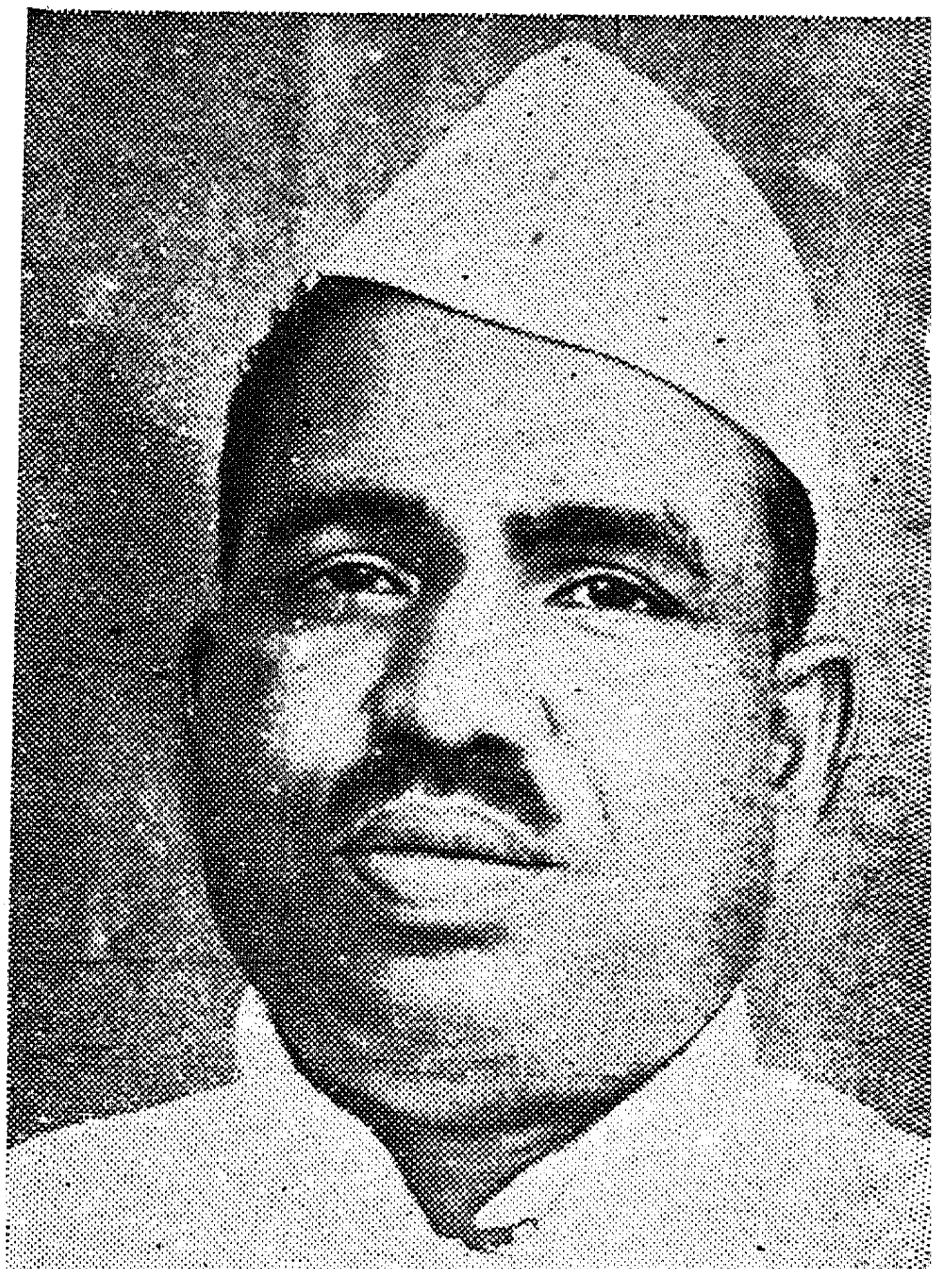




Dr B. R Ambedkar



Shri Jagjivan Ram







**Shri Rafi Ahmed Kidwai**



**Shri N. Gopalaswami Ayyang**



**Rajkumari Amrit Kaur**



Kanchrapara, Perambur and a number of other centres as also a Rs. 64-lakh scheme for a new Railway Hospital at Colaba, Bombay. Extensive bridge building schemes have also been undertaken.

Any narrative of the railway's activities during this period would be incomplete without mention of the arrangements made for the special train which carried the mortal remains of the Father of the Nation from Delhi to Allahabad. Almost overnight a special bogie was designed and converted to carry the urn containing the Asthi and the work of the staff in this connection was greatly appreciated by the public.

### **Road Development.**

The Transport Ministry has an expert body, the Roads Organisation, which has as its objective the development of a comprehensive system of road communication having due regard to the needs of villages, districts, Provinces and States, and the country as a whole.

With effect from April 1, 1947, the Central Government have undertaken full liability for the development and maintenance of a system of highways of national importance aggregating to about 11,200 miles in the provinces and about 2,650 miles in the States. An organisation of Central Road Engineer Consultants is being built up under the Consulting Engineer (Roads), on the lines of the District Engineers Scheme in the U. S. A., to provide liaison between the Provinces or States and the Centre in the detailed planning and execution of works on national highways in particular and on other classes of roads as occasion arises.

### **Motor Transport.**

The year under review has witnessed great activity in regard to motor transport development in the country. To facilitate the reorganisation of road transport the Governments of Bombay, United Province, Central Provinces and Berar, and Orissa have enacted legislation amending the Motor

Vehicles Act, 1939. Schemes have been prepared in Bombay and Madras involving the setting up of statutory Transport Boards and to enable them to do so the Central Government early this year passed the Road Transport Corporation Act, 1948. This Act empowers Provincial Governments, who may so desire, to incorporate, regulate and if necessary, wind up Transport Corporations.

A beginning has already been made in Delhi where the former Transport Company was taken over by the Government of India about the middle of May. The Delhi Transport Service, as the transport of the Indian capital is now known, is being operated departmentally by the Ministry of Transport, pending the formation of a corporation. Though it is only three months since the service was taken over by Government about 50 new buses have been put on the road to replace old outworn vehicles.

The difficult world supply position in regard to petroleum and the inadequate allocation to India have necessitated the continuance of petrol rationing. Government are keeping the petrol position constantly under review and every endeavour is being made to procure increased supplies. Meanwhile, steps are being taken to improve the tank wagon position and storage facilities in the country. To meet the petroleum shortage and to reduce India's dependence on foreign imports, the Central Government are actively considering the development and utilisation of substitute fuels such as producer gas, power alcohol and synthetic petrol.

## LAW

All legal matters of the Government of India are managed and supervised by the Ministry of Law. In the course of the last year the Ministry has coped with unusually heavy tasks with thoroughness and promptitude. This Ministry works through eight branches, i.e., (1) Reforms Branch, (2) Legislative Branch, (3) Drafting Branch, (4) Solicitor's Branch, (5) Advice



Branch (6) War Pensions Appeal Tribunals Branch, (7) Publication Branch, and (8) General Administration Branch.

### **Reforms Branch**

As a result of Independence sudden and far reaching constitutional changes took place. The Ministry had to draft a large number of Orders, which were issued in the name of the Governor-General, to make the transition smooth and easy. Twenty-three such Orders were issued before August 15, 1947 and nineteen between that day and April 1, 1948, when the Governor-General's power to issue such Orders lapsed. Of these 42 Orders the most important are those relating to (1) the adaptation of the Government of India Act, 1935; (2) the making of textual amendments in the existing laws; (3) the constitution of the Legislatures of the reconstituted provinces of West Bengal, East Punjab and Assam; (4) the distribution of property rights and liabilities between the two Dominions of India and Pakistan and the divided provinces of West Bengal and East Bengal, East Punjab and West Punjab and Assam and East Bengal; (5) the reconstitution of the Calcutta High Court and (6) the constitution of the East Punjab High Court.

Another set of 17 Orders were issued under the Government of India Act, 1935, as amended concerning the constitution of High Courts and conditions of service of High Court Judges.

### **Legislative and Drafting Branches**

When proposals for legislation are put up by other Ministries the Law Ministry gives them a practical shape. It drafts all Bills for the Legislature and drafts and promulgates all Ordinances and Regulations. It watches the progress of Bills through the Legislature and manages the affairs of the Select Committees.

Since August 15, 1947, legislative work has greatly increased. Bills and Ordinances, as a rule, originate from the administrative Ministries but certain measures are also sponsored by the Ministry of Law and among the Bills deserving

special mention are (i) The Federal Court (Enlargement of Jurisdiction) Act, 1947, and (ii) The Hindu Code.

The former provides for appellate jurisdiction of the Federal Court in civil cases to the fullest extent permissible under the Government of India Act, 1935, and for the abolition pro tanto of all direct appeals to His Majesty in Council. The later Bill, namely the Hindu Code, is an epoch-making measure to amend and codify almost the whole of Hindu Law. The Code was prepared by a Committee of Experts under the guidance of Dr. B. R. Ambedkar, the Law Minister, and was introduced in the late Legislative Assembly and continued in the Dominion Legislature. It not only brings Hindus, Sikhs, Buddhists and Jains under a common law but also bestows new privileges on women in line with laws prevailing in other progressive countries. The important features of the Code are as follows:—

(1) It seeks to abolish the principle of survivorship and the joint family as conceived under the Mitakshara law. The principles of Dayabhaga have been applied throughout the country.

(2) In intestate succession, a daughter will also inherit the property of her parents, getting half the share of the son in the father's property and double the share of the son in the mother's property.

(3) The Hindu women's present limited estate is to be converted into an absolute estate.

(4) Monogamy is to be introduced as a rule of law and divorce permitted under certain conditions.

(5) The law of inheritance has been greatly modified and the list of heirs has been cut down to a reasonable limit.

The Legislative Branch also deals with the Provincial Bills which are sent for the assent of the Governor-General. Besides

it deals with subjects like Civil Law and Procedure, Legal Profession, Admiralty Jurisdiction and International Convention.

### **Solicitor's Branch**

This Branch advises the other Ministries *inter alia* in cases in which legal proceedings have been instituted or are pending or which are calculated to lead to such proceedings. - Its advice is sought before launching any criminal prosecution against a government servant or sanctioning any such prosecution. The Solicitor also acts as the Honorary Adviser to some public organisations like the Indian Red Cross Society and the Tuberculosis Association of India.

### **Advice Branch**

This Branch acts behind the scenes in the activity of every Ministry by tendering advice on legal matters including the scrutiny of statutory rules, orders and notifications.

### **War Pensions Appeal Tribunals Branch**

After World War II, demobilised personnel were granted pensions by the Government of India. As a large number of officers were dissatisfied with the amount of pension granted to them, Tribunals were constituted to deal with the appeals and the claims of such officers.

There are three such Tribunals — one each in Madras, Lucknow and Jullundur. There is also a Central Appeal Tribunal hearing appeals from these three Tribunals. Redress has been granted to a large number of pensioners who were dissatisfied with the executive orders of the Government.

### **Publication Branch**

The work of this Branch is silent but very important. It publishes all Central Acts, Ordinances and Regulations, Central Statutory Rules and Orders and Acts of Parliament relating to India, translates all Central Acts and Ordinances into Hindi and Urdu and keeps the books used by the officers of this Ministry up-to-date.



## General Administration

This Branch is in charge of all establishment matters and other miscellaneous matters. It also deals with two important kinds of Tribunals, namely the Income Tax Appellate Tribunal and the special Tribunals established for trying corruption cases.

In its 1947 autumn session the Legislature adopted new rules governing the constitution and functions of the Standing Committees of the various Ministries. One such committee is attached to the Ministry of Law. These committees generally supervise the activities of the Ministries.

## HOME.

Immediately after the transfer of power, the Ministry of Home Affairs, Government of India were faced with a host of urgent problems. Serious shortages were caused, particularly in the Indian Civil and Police Services, by the premature retirement of British officers and the transfer of Muslim officers who had opted for Pakistan. So various measures had to be taken to rebuild the frame-work of administration.

A start in this direction had already been made by the constitution of the Indian Administrative Service and the Indian Police Service in April, 1947 to meet the anticipated shortages. The Indian Administrative Service Training School had been opened to train the probationers selected for appointment to the I. A. S. For training officers of the Indian Police Service it has now been decided to open a Central Police Training School.

As a result of a competitive examination held in July, 1947 by the Federal Public Service Commission, 137 candidates were appointed to the various Central Services, 37 to the I. A. S., 40 to the I. P. S., 6 to the Foreign Service and 54 to Class I Central Services. Earlier by selection from among war service candidates 94 were selected for appointments to the I. A. S., 17 to the I. P. S. and 88 to the Central Services.

All the Provinces of the Indian Dominion including West Bengal and East Punjab have decided to participate in the Government of India's scheme for the Indian administrative and Police Services. The basic cadre strength of these services has been fixed in consultation with the Provincial Governments.

The partition of India also created a number of problems, the chief of which was the question of domicile. Rules for domicile had to be framed particularly as it affected recruitment to Central Services. Nationals of India and rulers or subjects of Indian States which have acceded to the Indian Dominion were made eligible for such appointments. So also citizens of Pakistan who have migrated or might migrate before September 30, 1948, with the intention of permanently settling down in India. In addition, persons of Indian descent or rulers or subjects of Indian States which have not acceded to India have been made eligible for appointments to Services in the Indian Dominion on their obtaining a declaration of eligibility from the Government of India. Further it has been laid down that no non Indians shall be appointed to civil posts under the Government of India except in very exceptional circumstances for short periods on contract and with the previous concurrence of the Home Ministry.

The Government's policy on the question of communal representation in the Services was reviewed and it was decided that the candidates must be appointed solely on merit irrespective of their caste or creed. It was, however, realised that the Scheduled Castes in view of their backward state required special encouragement. At present, therefore, where recruitment is made by open competition through the Federal Public Service Commission or any other authority, appointments are made strictly according to merit subject to a reservation of  $12\frac{1}{2}\%$  of the vacancies in favour of the Scheduled Castes.

The other Service problem was a legacy of the War when the Government had to recruit on a temporary basis quite a

large number of persons who, under normal standards, would not have been qualified to hold the post to which they were appointed. To effect a gradual replacement of such personnel, and to ensure that as many of these as possessed the required qualifications got opportunities to qualify for permanent appointments, suitable relaxations were made in the matter of age restrictions applicable to normal recruitment. The intention is that they should qualify at an examination held by the Federal Public Service Commission. About 200 assistants and 650 clerks, most of whom were hitherto employed in a temporary capacity will be confirmed as a result of a competitive examination held by the Commission in May, 1947.

The Home Ministry has also opened the Secretariat Training School to meet the urgent need of trained Assistants and clerks in the Secretariat. The first batch has already completed its training while the second comprises of 100 trainees.

Refugees from Pakistan who fled to the Indian Union to seek shelter included thousands of Government servants. The responsibility for resettling the refugee Government servants from West Punjab and East Bengal was taken up by the Governments of East Punjab and West Bengal respectively. But the Government servants from the Provinces of Sind, Baluchistan and the N. W. F. Province became the responsibility of the Government of India.

Originally set up in August 1947 to transfer personnel surplus in various Ministries to offices under other Ministries, the work of the Transfer Bureau was subsequently enlarged to provide for employees who were rendered surplus on account of constitutional changes such as staff of various Residencies etc. So far the Bureau has registered 10,500 persons out of which about 3,500 have been absorbed. Some 2,500 more have been nominated to posts and another 1,500 names have been circulated to various departments.



In order to co-ordinate and expedite the work of the employment of educated refugees, the Employment Coordination Committee was set up in March 1948 at the instance of the Prime Minister.

With partition the once notorious Andaman Islands where many patriots had been imprisoned became the responsibility of India. To make the Andamans more attractive for settlers and as a first step towards dissociating the public mind from all memories of the Penal Settlement, it was decided that the Cellular Jail should be pulled down. A scheme for the settlement of 100 families of ex-Servicemen on the islands was approved and the Government of India agreed that a grant of Rs. 1,300/- per ex-Serviceman settled in the Andamans would be paid by the Government provided each settler contributed Rs. 500/- himself. For providing relief to persons in the Andaman and Nicobar Islands who suffered during enemy occupation, a grant of ten lakhs of rupees has been placed at the disposal of the Chief Commissioner.

In keeping with the Government of India's policy to do away with communal distinctions the existing orders relating to holidays in Government offices were revised. Communal or sectional holidays were abolished and the system of holidays was rationalised on a broader basis than hitherto.

In a resolution issued on February 2, 1948, the Government of India declared that there was no place in India for any organisation preaching violence or communal hatred.

The draft International Bill of Rights and the draft International Convention on Human Rights prepared by the United Nations Organisation Secretariat have been accepted by the Government of India in principle subject to reservation of opinion as to details.

The Government of India have accepted the policy of prohibition in respect of the Centrally Administered areas

and the implementation of the policy is now under way. The Government of India have asked their employees to refrain from serving alcoholic drinks at official or semi-official parties in view of the general policy of prohibition.

In accordance with the demand both from the Press and the Legislature for a review of the laws relating to the Press with a view to bringing them into line with the Press laws of other progressive countries, the Government of India after consulting the Provincial Governments and Chief Commissioners decided to appoint a Committee to review the Press Laws in India. This Committee examined a number of witnesses including representatives of the Press and Provincial Governments. The Committee's report has been submitted to the Government and is now under consideration.

It was decided that foreigners, who entered India from Pakistan after August 15, 1947 should be required to get themselves registered afresh irrespective of whether they held registration certificates issued by the Pakistan Government or not. It was also laid down that foreigners proceeding to Pakistan should also comply with the prescribed formalities at the time of their departure from India. The Foreigners' (Amendment) Act, 1947 was placed on the Statute Book in order to provide power for control of foreigners in certain respects in which the previous Act of 1946 was found inadequate.

The Dominion Parliament has passed a Census Bill on the initiative of the Government to provide for continuous legal sanction for census operations undertaken by Government instead of the Ad Hoc legislation, as before.

## DEFENCE

As a result of partition, and the consequent division of the Indian Armed Forces, the country's whole defence machinery was thrown more or less completely out of gear. All British Military personnel in the Indian Armed Forces had been relieved by the end of February this year.

During the disturbances besides the rescue and escort duties involved in their operation, the army provided facilities for a great many refugee camps and in fact undertook the management of several of them, including one at Kurukshetra with accommodation for 2,50,000 people. The R.I.A.F. which stood at the beck and call of the Army did an outstanding job in dropping cooked food and also food grains and sugar for starving refugees on the move, when unprecedented floods in the East Punjab in October 1947 rendered the refugee routes unserviceable and marooned large groups of them.

No less striking have been the achievements of the Indian Armed Forces in the Jammu-Kashmir operations, which began on October 27, 1947, following the States accession to India.

In order primarily to give the public of India an opportunity to see for themselves what are the functions of the different branches of the country's armed forces and to bring the servicemen closer to the public, an Armed Forces Exhibition and Tattoo was organised in Delhi early this year. The total proceeds from the Tattoo exceeding Rs. 90,000/- have been earmarked for rehabilitation of refugee services' personnel and their families.

Before August 15, 1947, there used to be one Commander-in-Chief for all the three services, but since then the three services have been separated, each with its own head. With the creation of three independent Service Chiefs it became necessary to create a machinery for inter-service coordination in various matters and a number of Inter-Service Committees like the Chiefs of Staff Committee, Joint Intelligence Committee, Joint Planning Committee etc, were therefore set up. These Sub-Committees along with the Defence Minister's Committee function as Sub-Committees of the Defence Committee of the Cabinet which is the ultimate authority for taking policy decisions in regard to Defence matters.

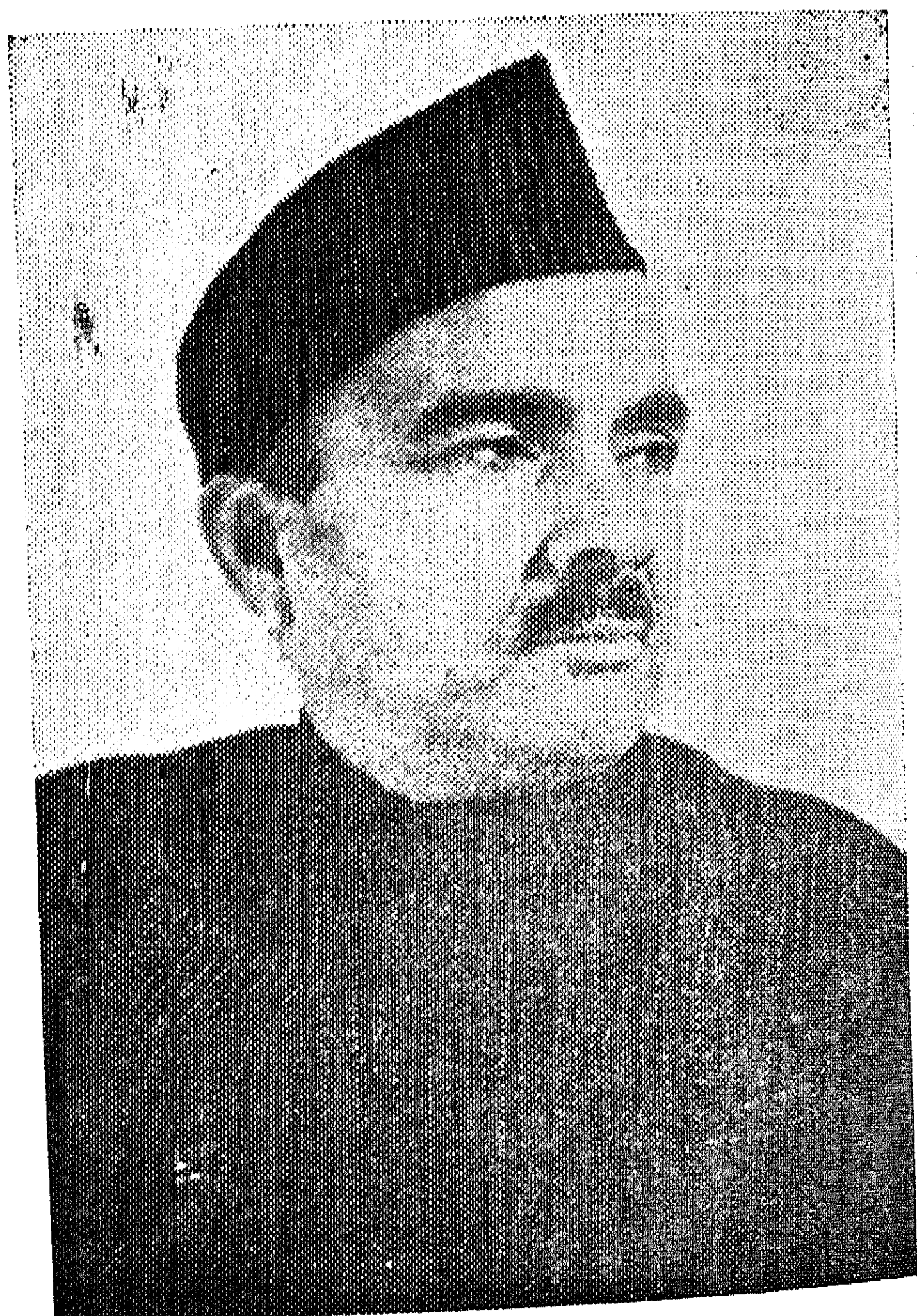




**Shri N. A. Sherwani**



**Shri Sampurnanand**



**Shri K. D. Malviya**



over a considerable sphere of activity has been passed. The details are being worked out and before the end of this year these Panchayats will come into being.

## COOPERATIVE MOVEMENT

The Cooperative movement in the province has registered great progress. Training of 9000 panchas and 3000 secretaries was taken in hand and one lakh of rupees were earmarked for this purpose. The Government also sent some people abroad for training in the various branches of the cooperative movement e. g. cooperative credit, agricultural cooperation, dairying, etc.

Steps are being taken to increase the production of milk by the distribution of oil-cakes at subsidised rates and advancement of interest — free loans for the purchase of improved breed of milch cattle.

The Cane Development Department which had hitherto been on a temporary basis has been made permanent and its development and marketing activities separated. Government have also decided to set up Development Councils for each sugar factory zone with a view to ensure intensive and planned cultivation of improved varieties of sugarcane. 95 such councils have since been formed.

It is now proposed to give interest-free loans to cultivators for the purchase of seeds, implements and fertilizers at an approximate cost of Rs. 6 lakhs. About 1500 masonry wells and an equal number of persian wheels are being installed to provide irrigation facilities.

A scheme for the repairs and deepening of tanks was launched in April 1948 in 22 eastern districts with a view to catch and conserve the maximum quantity of rain water in this area during the monsoon for irrigational purposes.

## DEVELOPMENT DEPARTMENT

With the expansion of the Government's development and nation-building schemes, the creation of an agency to coordinate

**National Cadet Corps.** The Government of undivided India had appointed a Committee to examine the question of creating a National Cadet Corps organisation in India. This Committee submitted its report in July, 1947. Soon after India became free, it was decided to go ahead with the scheme following closely the recommendations of the Committee. The object of this Corps is to provide scope for Military training to the youth of the country on whom must depend the strength of New India. The scheme has been accepted by all the Provinces and a number of States. There will be two divisions in the Corps — a Senior Division and a Junior Division — the former for college students and the latter for school students. While the Junior Divisions will be officered by teachers specially trained for the purpose, the Senior Division will have in addition to trained teachers, a sprinkling of regular Army officers able to provide up to date knowledge in regard to the use of weapons. The training of the teaching staff of colleges and schools, who have been allotted Units, commenced in June for periods of two months for the Junior Division and 3 months for the Senior Division. These persons, on completion of training, will become officers in the National Cadet Corps. On their return to the Institutions, they will raise units, will commence enrolment of cadets from students of these Institutions and training will be started. It is expected that all units will start training by October, 1, 1948.

**Territorial Army.** With the achievement of Independence there came a persistent demand from all over the country for military training to all young men. Appreciating the force of this public demand, the Ministry of Defence drew up a scheme for the formation of a Territorial Army which will constitute a second line of defence in the event of a national emergency, by undertaking internal defence and thereby relieving the regular army of this responsibility. The units of the Territorial Army will be raised and maintained on a zonal basis. For this purpose the country has been divided into 8 zones :—



- (i) East Punjab, East Punjab States and Rajputana including Delhi,
- (ii) United Provinces,
- (iii) Central Provinces and Eastern States,
- (iv) Bombay and Kathiawar,
- (v) Madras, Mysore and Travancore States,
- (vi) Bihar and Orissa,
- (vii) West Bengal and Cooch Bihar,
- (viii) Assam including Tripura and Manipur.

The territorial Army is open to all without restrictions of class or creed. The units of the Territorial Army will probably be divided into urban and rural units. The rural units will generally undergo a course of continuous training for a month or two at a time suitable to persons coming from rural areas, whereas the urban personnel will attend weekly parades throughout the year, followed by a short annual camp.

**The War Academy.** Immediately after the termination of the war the question of creating a befitting memorial for the gallant servicemen of this country who laid down their lives on the battlefields was taken up, and it was decided that the best method of commemorating the valour of our fallen soldiers would be to establish a National War Academy which would train officers for all three Services viz. the Army, the Navy and the Air Force. The Government have decided to establish the Academy near Poona.

**The Navy.** The first significant step towards modernization of Indian Navy was the acquisition of a 7,000 ton cruiser of the Leander class - 'H. M. I. S. DELHI'. Modernised with the latest naval weapons and equipment like Radar; it is now on its way to India. The end of the year 1948 will also see the addition of three destroyers to the R. I. N. Auxiliary vessels, which will weld our Navy into a self-contained and effective force.

The present criterion of a 'Viable' State observed by the Government of India, is that it should have at least a population of about 10 lakhs. In other words it should be entitled to return its individual representative to the Constituent Assembly. It is the avowed policy of the Government of India, that while they would not in any way disturb the autonomous existence of these 'viable' units except at the desire of their people and their Rulers, they would initiate measures to persuade the smaller states either to combine themselves into Unions wherever possible or to integrate with the territory of the adjoining Province. The time schedule for implementing this policy through negotiation, persuasion and suitable local political adjustment has been so far kept up and the movement for merger which has proceeded with a revolutionary speed is now almost complete.

It was in Orissa that the process of integration of small States started. Rulers of 23 States of Orissa were persuaded by Sardar Patel in December last at a Conference at Cuttack to allow their States to integrate with the Province of Orissa. Similar advice given by him was accepted by Rulers of 14 Chhattisgarh States at a conference at Nagpur shortly after. As a result these groups of States merged with Orissa and the Central Provinces respectively on January 1, 1948. Only the States of Mayurbhanj stands out of the Province of greater Orissa. Certain other small States have merged with the adjacent Provinces as Makrai with C.P. on February 1, Banganapalle with Madras on February 22 and Loharu and Pataudi with East Punjab. A much bigger State than any of these, namely Pudukottah, merged with Madras on March, 3. Meanwhile, sixteen Deccan States except Kolhapur, a viable unit, decided to integrate with the Province of Bombay though eight of these States had previously formed a Union among themselves. This was followed by the decision of 18 jurisdictional States of Gujerat (all except Baroda) and a number of petty principalities to merge into the Province of Bombay.

Himachal Pradesh, which is a new administrative unit comprising all the East Punjab Hill States (except Tehri Garhwal) is a centrally administered province, now under a Chief Commissioner pending the appointment of a Lieutenant-Governor contemplated under the future constitution of the Indian Union.

The Non-viable States still to be integrated or merged are Sandur (Madras), Tehri Garhwal, Banaras and Rampur ( U.P. ), Jaisalmer (Rajputana), Cooch Bihar, Tripura, Manipur and Khasi Hill States (Assam).

Cutch has been brought directly under the administration of the Government of India. Another State, Junagadh, is yet to join though its people have by overwhelming majority in the last plebescite rejected accession to Pakistan and have since expressed impatience to join Saurashtra.

The Union of States constitutes another species of statehood in which a number of States, generally contiguous to each other are merged into a new political administrative entity with the ruler of one of the merging units as Ruler-President ( Rajpramukh ). Such a Union becomes a new composite State, with a democratic constitution, into which the merging States lose their separate identity. The rulers are guaranteed the essential rights and privileges of their order such as a privy purse, salute, etc.

The Rajasthan Union inaugurated at first on March 25, 1948, at Kotah with Kotah, Banswara, Shahpura, Bundi, Dungarpur, Jhalawar, Kishengarh, Partapgarh and Tonk was reconstituted on April 18, 1948, at Udaipur by the integration of Mewar with the Union. The Maharaja of Udaipur is the first Rajpramukh of the reconstituted Union.

The covenant for the creation of the Malwa Union or Madhya Bharat is an important landmark in the evolution of these Unions. This is the largest of the States Unions



and there is no other which can compare with it in resources and population.

The Major problems of integration and democratization of States are over now with the formation of the Union of Patiala and East Punjab States. The final name of the Union is to be chosen by its own Constituent Assembly. The Maharaja of Patiala will be the Rajpramukh for life and the Maharaja of Kapurthala, its Up Rajpramukh.

The Covenants of all the Unions also contain a clause which empowers the Central Legislature to legislate for them on all matters in List I and List III in the VII Schedule of the Government of India Act, 1935, except the entries in List I relating to any tax or duty. This tremendous advance on the Instrument of Instructions might probably be adopted by other States as well.

An officer deputed by the States Ministry toured some States Unions and States lately with a view to recommending the reorganisation of their administrative set-up and budgetary procedure. At a recent meeting with Sardar Patel in New Delhi the Rajpramukhs of Unions and their Premiers came to an understanding regarding the integration of administration in their newly formed Unions. A special feature of these Unions is that they have obtained from the Centre experienced administrators either as executives or as advisers. A special committee is at the same time considering proposals to fix and standardize the defence forces of the various States in conformity with those of the Centre.

While the States Ministry has brought its influence to bear on the authorities of almost all States within the Union in the matter of securing responsible government for the people, it has also intervened in the administration of the States, whenever necessary. In all cases of intervention the States Ministry has as a rule taken the highest interests of the State concerned as well as of the Indian Union into considera-

tion and its firm action has accordingly won the support of the people of the States.

## REFUGEE PROBLEM

Tragedy stalked the land soon after 15th August 1947. As a result of disturbances about  $5\frac{1}{2}$  million persons poured into India from Western Pakistan. The evacuation, reception, and relief and rehabilitation of such a large population was a task before which the best organized government in the world might have quailed. But the Government of India, then hardly a few days in the saddle, began to tackle the problem in a manner that won tributes from many parts of the world.

Almost the first major problem the Cabinet had to tackle was this evacuation of Hindus and Sikhs from Western Pakistan. To save the maximum number of lives, evacuation had to be completed in the shortest possible time. No means of transport was overlooked. All available railway rolling stock, trucks and aeroplanes were pressed into service. Footmarches proved valuable for evacuating large numbers. Aeroplanes in many cases flew cooked food as well as foodgrains and other necessities for these marching columns inside Pakistan. Drugs, vaccines and doctors were rushed by air and motor transport. Field Ambulance units were sent to inoculate refugees before they crossed the border. Over 400,000 non-Muslim and over 200,000 Muslim refugees were evacuated by motor transport. These vehicles were also used for collecting non-Muslims stranded in villages and small pockets in Pakistan and bringing them to rail-heads. Aircraft available in India and a fleet of British Airways Overseas Corporation planes employed for the purpose between them made 962 flights covering 939,437 miles between September 15 and December 7, 1947 and evacuating 10,060 persons on the outward and 27,500 on the inward journey.

To receive refugees from Western Pakistan, a large number of camps sprang up in many parts of the country. East Punjab, Delhi and the United Province bore the major burden. The Ministry of Relief and Rehabilitation itself organised the largest

camp the world has ever known. This was at Kurukshetra, where at one time as many as 300,000 refugees were accommodated. The refugees in camps receive free shelter, food, clothing, medical and sanitary facilities, soap, matches, etc. Children and expectant mothers receive special attention in the matter of food.

For the medical aid of refugees a network of camp hospitals was opened. The Health Ministry took measures to prevent the outbreak of epidemics. Supplies of cholera vaccines, sulpha drugs, penicillin, surgical dressing, and injection lymph were arranged and large-scale inoculation for cholera and vaccination for small pox was organised in these camps.

Valuable assistance has been rendered by a number of voluntary organisations in providing relief to refugees. These organisations work under the United Council of Relief and Welfare.

In June 1948, the Government of India decided that the administrative responsibility for running all refugee camps should be transferred to Provinces and States. With the transfer of the Kurukshetra Camp to the East Punjab Government, Central Government have virtually divested themselves of all direct responsibility for these camps. Rapid dispersal throughout the country of concentrations of refugees is a problem that has engaged the attention of the Government of India for some time past.

Much progress has already been made in the direction of resettlement of refugees. To advise the Government of India in the formulation and execution of various rehabilitation schemes, the following boards have been set up :

1. Joint Rehabilitation Board of the Central and East Punjab Governments.
2. Rehabilitation Council of East Punjab and East Punjab States.



3. Rehabilitation and Development Board.

4. Rehabilitation Board for Delhi Province.

Housing schemes are under way in Delhi, East Punjab, United Province, Central Province etc. Government have set up a committee for formulating plans to promote cooperative enterprises. A batch of 100 refugee graduates will shortly be trained in the work of organising cooperative societies, each of whom after training will be able to organise and supervise a number of cooperative enterprises. Government feel that loans granted to cooperative will yield far better results than loans to individuals. Arrangements have also been made with cooperative banks for giving facilities to cooperatives.

The Ministry of Labour opened three new employment exchanges and strengthened existing exchanges in East Punjab, Delhi and Western United Province. All these employment exchanges have registered 72,794 displaced persons of whom 8,726 were placed in employment upto the end of June 1948. An even more valuable part of the Employment Service's work lies in its fourfold training schemes and institutions — technical, vocational, apprenticeship and women's. The training centres have been thrown open to refugees and a target of 10,000 trainees has been fixed. In order to provide efficient instructional staff for the training schemes, a Central Institute for training instructors has recently established at Koni Camp, Bilaspur. Most of the provincial governments have agreed to cooperate in the scheme by sharing the recurring cost of the training of their nominees on a proportionate basis.

A special Employment Bureau was set up for refugees with specialised training and experience. The Ministry of Relief and Rehabilitation have requested Provincial Governments and Chief Commissioners of Delhi, Ajmer-Merwara and Coorg to recommend to local bodies under their jurisdiction that they should give preference to displaced employees of local bodies from Pakistan.

Everything possible is being done to ameliorate the condition of refugee students and trainees. Loans are being granted to students and trainees abroad originally from Western Pakistan areas whose parents or guardians have migrated to the Indian Dominion as refugees and who for lack of funds would not otherwise be able to continue their studies. Twenty primary and two high schools have been started in Ajmer-Merwara for the education of refugee children and it is proposed to increase the number of primary schools to 30 and high schools to 3. In Delhi double shifts have been introduced in colleges which give tuition to 3,248 refugee students and employ 112 professors. Assistance is also being given to blind refugee children to receive education in institutions for the blind in India. The Government of India have requested all Provincial and State Governments to see that the requirements of domicile are waived in the matter of admission to Engineering Colleges. Provincial Governments have been requested to reserve for refugee teachers 25 per cent of the vacancies created as a result of implementation of schemes for the expansion of educational facilities.

In cooperation with public spirited men and women in both the Dominions a concerted drive was launched some months ago for the recovery of abducted women. The total number of abducted women recovered from Western Pakistan up to May 31 is 5,116.

A great achievement in the sphere of rehabilitation of Harijan refugees is the decision of the East Punjab Govt. to declare Harijans engaged in cultivation to be agriculturists under the Punjab Land Alienation Act. About 6,000 Harijan families who have come from Pakistan have been allotted 65,000 acres of land on a temporary basis so far.

## INDIA'S FINANCES.

The Finance Ministry of the Government of India has had to face a gigantic problem in the past year. What with the influx of refugee population necessitating the improvisation

and speedy launching of vast schemes of rehabilitation, the financing of the campaign in Kashmir, the big-scale purchases of food and rising price spirals, there was immense strain on the country's finances. Nevertheless, in the words of the Finance Minister "We have not been living beyond our means or heading towards bankruptcy". An examination of the financial position of the country would show that 'we can face the future in a spirit of sober confidence'.

### **Public Debt.**

The Public Debt position of a country is a reliable index of its financial strength and statistics show that India's position is inherently sound. The total outstanding debt at the end of 1947-48 was expected to be Rs. 1,795 crores. During the current financial year it is likely to rise to Rs. 1,851 crores. The total of interest bearing obligations is placed at Rs. 2,182 crores at the end of 1947-48 and estimated to be Rs. 2,311 crores at the end of the current year. Against these obligations it is reckoned that Rs. 1,161 crores at the end of 1947-48 and Rs. 1,237 crores at the end of the present financial year would be covered by interest-yielding assets, representing investments by government on the Railways and Posts and Telegraphs, amounts due to the Centre from the Provincial Governments, States, Burma and Pakistan. In addition, at the end of 1947-48 cash and other investments on treasury account amounted to Rs. 246 crores, the estimated figure at the end of 1948-49 being Rs. 130 crores. Thus the total interest bearing obligations, not covered by interest bearing assets and cash and interest yielding investments, amounted to no more than Rs. 775 crores at the end of 1947-48 and would amount to Rs. 864 crores at the end of 1948-49. This sum of Rs. 864 crores represents the amount of dead weight debt and is comparatively small when we take into consideration our national income of about Rs. 4,500 crores and our potential resources. The Public Debt position of India therefore compares favourably with the position in more advanced countries like the United States of America and the United Kingdom.



## Balance of Payments.

This rosy picture is to some extent offset by the substantial adverse balance in India's external payments since 1946-47. India's balance of trade had in the past always been in her favour and during the war period it became even more favourable due to the restrictions on imports and to the large payments which accrued to her on account of supplies and services to the Allied Nations and the defence expenditure plan. This resulted in the rapid accumulation of Sterling Balances. A part of these balances was used to purchase the Indian Railways and to repatriate compulsorily almost the entire sterling debt of the country. Indian nationals acquiring British investments in India also consumed a part of these balances.

The adverse balance is mainly due to two causes; firstly, the absence of imports during the war years and consequent attempt by the public to satisfy its pent-up demand as soon as goods became available and secondly, our urgent necessity to import food-grains. In 1947-48, the amount spent on food-grains was about Rs. 110 crores. The import of other commodities had to be restricted from hard currency areas like the United States of America. Attempts are now being made to redress the balance by launching an export drive particularly in the hard currency areas and by increasing the internal production of food and other essential commodities.

## The Sterling Balances.

India's sterling balance which is the monetary expression of the country's sacrifices and services during the war amounted to £ 1160 millions on 14th August 1947. An interim settlement was reached with the British Government in August 1947 with a view to arranging their liquidating, the main points of which were: a sum of £ 35 million was placed in an Account (No. 1) with the Bank of England for expenditure by India up to 31st December, 1947 in any currency area; in addition, £ 30 million of multi-lateral convertible currency were placed at India's disposal as a

working balance ; the rest of the balances went into another blocked Account (No. II).

This agreement was renewed with certain modifications for a further period of six months from 1st January 1948. The balance of Account No. I including the working balance of £ 30 million was carried forward. Out of this, a certain sum was to be transferred to Pakistan. An additional sum of £ 18 million was also released to India from Account No. II.

Before the expiry of this agreement, fresh negotiations were begun with the British Government by a delegation led by the Finance Minister himself as a result of which a fresh agreement has recently been signed for 3 years until 30th June, 1951. Under the agreement, the United Kingdom will release a sum of £ 80 million, in addition to which India will carry forward the unspent balance of £ 80 million from the previous releases. The total available foreign exchange for the next three years, over and above current earnings by exports, would thus be £ 160 million. In the first year a sum of £ 15 million will be made available for conversion into any currency, and the requirements of the remaining two years will be reviewed later. Any deficit in hard currencies this year which may not be covered by the release will have to be met by borrowing from the International Monetary Fund. Moreover, under recent agreements effected by the United Kingdom, several European countries, important of which from India's point of view are Switzerland and Sweden, have ceased to be regarded as hard currency areas, thereby reducing India's dollar expenditure appreciably. Out of India's surplus trade balance with Japan she will be entitled to receive upto £ 3½ million in dollars this year. The United Kingdom has also promised India assistance in continuing to obtain supplies from traditional sterling sources.

Other matters on which agreement was reached related to purchase of stores and installations and capitalisation of pensions.

On April 1, 1947 the undivided Government of India took over all the military stores and installations located in India which were the property of the United Kingdom Government. The book value of these stores was £ 375 million. It has now been agreed that a sum of £ 100 million should be paid to the United Kingdom in full and final settlement for these stores.

Liability for pensions charged to the undivided Government of India has been placed on the Indian Dominion. The annual liability is £ 6¼ million. It has been decided to pay the United Kingdom Government a sum of £ 147½ million and to purchase from them a tapering annuity, starting with £ 6,300,000 this year and gradually falling to nothing in sixty years. In addition to Central pensions, some provincial pensions are also paid in sterling. The liability of the Provinces in India is of the order of a little under a million pounds a year, and it has been agreed to purchase a similar annuity in regard to these pensions. Payment on this account has been agreed upon at £ 20½ million.

The total Sterling Balances now remaining to the credit of India, after deducting payment for the military stores and installations, purchase of annuities for pensions and transfer of Pakistan's share to that Dominion, is about £ 800 million. Out of this, about £ 200 million may be considered a normal currency reserve. The balance of £ 600 million, including the amount in the Reserve Bank's Account No. 1, will therefore be available for meeting the country's requirements of foreign exchange which are not met by current exports.

### **Exchange Control.**

There were no changes in the basic principles of exchange control during the period under review although its scope was greatly extended. Restrictions which were originally imposed tentatively were made more comprehensive following the first interim Sterling Balances agreement. These still remain to some extent. It has been agreed that there shall be no exchange control between India and Pakistan for one year until the end of June 1949. From 1st January 1948, the two



Dominions are retaining separately their own foreign exchange earnings and their foreign exchange expenditures debited against such earnings. Orders have now been issued permitting the resumption of commercial and financial transactions with the ex-enemy countries with which trade relations had not so far been permitted—Rumania, Germany, Bulgaria and Japan.

### **Borrowing Operations.**

The Government of India have set out on a wise borrowing policy in order to enable them to carry out their own development plans and to assist the Provincial Governments to implement their development schemes. Incidentally this policy is intended to combat the inflationary forces by withdrawing from the public as much surplus purchasing power as possible through Government loans. On 5th November 1947, the Government of India decided to pay the outstanding balance of the  $3\frac{1}{2}\%$  loan (1947-50) and simultaneously floated a fresh 15 year loan for Rs. 40 crores carrying interest at  $2\frac{3}{4}\%$ . The loan afforded facilities for holders of the  $3\frac{1}{2}\%$  loan (1947-50) to convert their holdings. The object was to enable government to obtain the funds required as cheaply as possible without in any way affecting the flow of investment into industry. A second issue of the  $2\frac{3}{4}\%$  Loan 1962 for Rs. 35 crores was made on 1st June, 1948 and offered in conversion to holders of the  $2\frac{3}{4}\%$  Loan 1948-52, the outstanding balance of which was notified for repayment on 15th July 1948.

### **Industrial Finance Corporation.**

The establishment of a suitable agency to provide medium and long-term capital for the requirements of industry, has been a long-felt need in India. This credit cannot be supplied normally by the commercial banks. It was therefore decided to establish an Industrial Finance Corporation jointly owned by government, the Reserve Bank, Scheduled banks, insurance companies and other institutional investors. The Industrial Finance Corporation Act was passed by Parliament

and came into force from 1st July 1948. The authorised capital of the Corporation is Rs. 10 crores, of which shares of the value of Rs. 5 crores are to be issued in the first instance. The Central Government and the Reserve Bank are each to take up 20 per cent of the capital, scheduled banks 25 per cent, insurance companies and investment trusts 25 per cent, and co-operative banks 10 per cent. The Central Government have guaranteed repayment of the shares and also a minimum annual dividend of  $2\frac{1}{4}$  per cent on the shares. For its working capital, the Corporation can issue bonds and debentures, guaranteed by the Central Government, and also accept long-term deposits.

The Corporation is authorised to make loans and advances to industrial concerns, or subscribe to debentures issued by them, and also to guarantee loans raised by such concerns in the market, all repayable within a period of 25 years. It will also underwrite the issue of stocks and shares, bonds or debentures of industrial concerns.

The Corporation has already called for subscription to its shares. It is expected that it will shortly be in a position to arrange finance for the development of industries in India.

### **New Capital Issues.**

Consent for the issue of Rs. 127.13 crores in respect of 373 companies was given from August 15, 1947 to June 30, 1948. The number of applications received in this period was 436, involving an aggregate capital of Rs. 147.57 crores. Thus, more than 85 per cent of the amount asked for and an equal percentage of the total number of schemes obtained approval.

The break-up of "consents" into major groups is as follows :

	<i>No. of companies</i>	<i>Amount sanctioned ( in crores of Rs.)</i>
<b>Industrial</b>	257	68.13
<b>Agricultural</b>	16	22.85

Financial	52	20.19
Trade and Transport	37	34.98
Other Services	11	15.45

A prominent place is occupied by 'Industrial' schemes in the list of "consents" — comprising 70 per cent of the number of schemes and 53.6 per cent of the capital involved.

Among industries of note which received recognition for capital issues were: fertilisers, dyes, cement, caustic soda and manufacture of typewriters. Several companies have been floated with the object of developing land and building houses and some of them have been promoted by refugees.

In the field of transport, a prominent scheme was the floatation of an international airways company by Tatas with Government participation. Some new shipping companies have also been promoted.

### **Nationalisation of Reserve and Imperial Banks.**

A matter of considerable public interest is the proposed nationalisation of the Reserve Bank and Imperial Bank of India. On February 4, 1948 the Government announced that nationalisation of Reserve Bank, that is, its conversion from a shareholders' bank to a State-owned bank would be effected on the termination of joint monetary arrangements with Pakistan. The necessary legislation has now received the assent of Parliament.

### **Rehabilitation Finance Administration.**

Immediately after Partition, the Government were faced with the problem of providing finance to rehabilitate refugees from Pakistan. Taccavi loans were provided for settling agriculturist refugees on the land, while smaller business men, shopkeepers, etc. were allowed loans not exceeding Rs. 5,000 and grants up to Rs. 500. In order to assist displaced persons previously engaged in business and industry and requiring loans exceeding Rs. 5,000, the Government of India decided to set up a Corporation called the Rehabilitation Finance admini-



stration. An Act was passed in March 1948 authorising the Central Government to set up the Administration and to give it loans up to Rs.10 crores to enable it to make advances to displaced persons, to re-discount bills and promissory notes in respect of loans advanced to such persons by scheduled banks, and to guarantee part of the losses incurred by scheduled banks in respect of loans advanced to these persons with the administration's approval. The Rehabilitation Finance Administration began to function from June 1, 1948.

### **Assistance to Banks in difficulties due to Disturbances.**

Consequent on the large-scale disturbances in the Punjab, a few middle-sized and small banks with registered offices in East Punjab and Delhi had to face the difficulty that while the bulk of their deposit liabilities were transferred to their branches in India, most of their assets were left in West Punjab. Also, they were not able to have access to their records or assets in West Punjab, and, therefore, found it difficult to make any immediate arrangements for payment to depositors.

To avoid damage to the banking structure of the country and also to avoid distress to depositors, most of whom were refugees, Government issued an Ordinance on September 27, 1947, assuming power to grant a moratorium to banks and also to advance sums to such banks to enable them to make monthly payments to depositors at the rate of 10 per cent of deposits or Rs. 250 per month, whichever was less. Three banks were granted a moratorium under this Ordinance, and these have since made satisfactory arrangements with their creditors under the Indian Companies Act.

Due to disturbances the banks also found it difficult to deal with trade bills drawn on firms and companies in the Punjab and other disturbed areas. Under the law, Bills have to be presented for acceptance or payment before they can be treated as dishonoured; but presentment became impossible in most cases. To afford protection to the banks and their clients, and also to facilitate quick distribution of goods, Government

issued an Ordinance amending the Negotiable Instruments Act, empowering banks to treat Bills as dishonoured if presentment became impossible, and thereafter to sell the goods covered by the Bills.

The Indian Limitation Act was also suspended temporarily to empower Courts to admit cases which became time-barred wherever they were satisfied that, owing to disturbed conditions, the creditors were unable to institute their claims.

## EXTERNAL AFFAIRS.

One of the outstanding features of the year has been the establishment of direct diplomatic relations with a large number of States, including all the great Powers. This occurred, in some cases, on India's own initiative, and in others on that of the other Governments.

The division of the country into India and Pakistan brought in its wake a number of military, financial and economic problems that required adjustment between the two governments. In a great many instances, these problems have been solved, or are expected to be solved by means of direct negotiations between the two governments at the 'Inter-Dominion Conferences' held from time to time.

**Kashmir :—** A major dispute still unresolved between the two Dominions relates to Kashmir. In October 1947, an attack was launched on Jammu and Kashmir by a miscellaneous force, of tribesmen from the North West Frontier and elsewhere enjoying the active support of the Pakistan Government. The State of Jammu and Kashmir having acceded to India, it became the duty of the Government of India to repel the attack and safeguard the integrity of the State and the freedom of its people.

An extension of the conflict was threatening and in order to avert it, if possible, the Government of India decided to refer the situation to the United Nations: By a letter dated 1st January 1948 the Government of India drew the Security Council's attention under Article 35 of the charter to the

situation in Jammu and Kashmir. Representatives of India and Pakistan were, in pursuance of Article 3 of the Charter, invited to participate in the discussions without a vote. On the 17th January, the Council adopted a resolution urging India and Pakistan to take all measures to improve the situation and refrain from making statements likely to aggravate it. A suitable reply was sent to this by the Government of India on Jan. 19. Another resolution, adopted on the 20th January set up a Commission of three members to carry out such instructions as the Council might issue from time to time. Pursuant to this resolution India nominated Czechoslovakia as a member of the Commission. (The strength of the Commission was subsequently increased to five).

As a result of informal talks some draft proposals were formulated by the President and were laid before the Council on the 6th February. Some of them were fundamentally at variance with the submissions and suggestions that had been put forward on behalf of India. The Government of India, therefore, considered it desirable to discuss the whole position with Mr. N. Gopalaswamy Ayyangar and the other members of the Indian Delegation before determining their attitude to the draft proposals. The discussion of the Kashmir situation was thereupon adjourned in order to enable the Indian delegation to return to New Delhi for consultations.

In March the Indian Delegation returned to New York and the debate on Kashmir was resumed. The draft was eventually cast in the form of a resolution sponsored jointly by Belgium, Canada, China, Columbia, the United Kingdom and the United States. This joint resolution was passed by the Security Council on the 21st April notwithstanding the objections raised by the Indian Delegation. The adoption of the resolution evoked a reply from the Government of India expressing their regret, in the form of a letter addressed to the President of the Security Council on the 5th May.

Another resolution, adopted by the Security Council on the 3rd June, authorized the Commission to proceed to the area



of dispute, and "further to study and report to the Security Council when it considers appropriate, on matters raised" in the Pakistan Foreign Minister's letter to the President on the 15th January. These matters related to Junagadh and the charge of genocide, levelled by Pakistan against India.

In reply to the Government of India's protest against this enlargement of the Commission's activities, an assurance was received from the President of the Security Council. Subsequently the Commission arrived in Delhi on July 10, 1948. Following its arrival, the Commission held consultations with high officials of the Government of India, and proceeded to Karachi on 31st July.

**South Africa :—**The question of the treatment of Indians in South Africa which has exercised the Government of India for many years was the subject of a resolution passed on the 8th December 1946 by the General Assembly of the United Nations.

Reporting to the United Nations, as required by this resolution, the Government of India on the 21st August 1947 pointed out that the Union Government had not only taken no action to implement the General Assembly resolution but that, by refusing to agree to the Government of India's request to accept the terms of the resolution as a basis of discussion, they had clearly indicated that they had no desire to take any steps to remove the discriminatory treatment against Indians and other Asiatics imposed by legislation and other administrative measures. The Government of India requested that the United Nations should take note of this fact and decide upon appropriate steps to ensure implementation of the resolution and respect for the provisions of the Charter relating to fundamental freedoms.

The question thus came up for consideration in the First Committee of the General Assembly on the 12th November, and the debate was continued on the 14th, 15th and 17th November. A resolution on the subject was proposed by India.

But when, subsequently, this resolution was put to vote, it received 31 votes for and 19 against with 6 abstentions. As a 2/3 majority was considered necessary, the resolution was deemed to have failed.

The Government of India have reopened the question by requesting the Secretary General to include it on the agenda of the forthcoming session of the General Assembly.

**Burma:—**The outstanding Indo-Burmese issues with which the Government of India have been mainly concerned during the last one year relate to the question of the acquisition of Burma citizenship by Indians in Burma, immigration problems, and the Burma Government's land legislation policy. The question of citizenship has now been decided by the enactment of the Union Citizenship (Election) Act, 1948, under which Indians Domiciled in Burma are eligible to acquire Burma citizenship subject to certain residence and other qualifications.

In respect of immigration, as the Government of India are not interested in further fresh immigration of Indians into Burma, their efforts are mainly directed to ensure that Indians who are already residing in Burma and have interests there, should be able to leave and enter Burma without much difficulty, and thus be able to carry on their lawful avocations. This matter was discussed at a conference at Secretariat level with delegation from Burma in April 1948, and the conclusions reached therein are now being examined by the two Governments.

As regards land legislation, the Government of Burma during recent months, have passed certain laws, the cumulative effect of which would be the virtual expropriation of Indian property in Burma without adequate compensation based on an economic standards for the lands taken from them. As a large number of Indian landholders are affected, the Government of India are endeavouring to secure that the principle of compensation is first accepted and the terms thereof finalised before land in Burma is taken over by the State.

**Malaya :—**As a result of recent constitutional changes in Malaya, Indians are now represented on both the Legislatures and Executive Councils in Malaya and Singapore.

Indians, as a whole, have abstained from participation in the present Communist disturbances.

**East Africa :—**The revised immigration bills were passed, despite the Government of India's objection to their basic principles, without incorporating important amendments suggested by them. The Government of India strongly objected to the introduction of the pernicious principle of communal electorates in Kenya. Eventually joint electorates with reservation of seats for Muslims have been provided as a temporary measure. The Government of India supported the Indian community in Kenya in their protest against the Registration of Persons Ordinance which involved compulsory registration of adults and taking of finger prints.

**French India :—**Discussions were conducted in Delhi between the French and Indian Governments regarding the future of the French establishments in India. At their conclusion, a declaration was made in the National Assembly of France, in Paris, on 8th June 1948, laying down the general principles along which the people of French India will determine their own future. "Their decision will be taken", the Declaration said, "by means of a free and sincere consultation, the particulars of which will be fixed in agreement with the elected Municipal Councils of each of these establishments, and at a date which will be fixed according to their indications."

**India and the United Nations :—**The situation in Indonesia, arising out of the conflict between the Indonesian Republic and the Netherlands East Indies forces, had already been referred by India to the Security Council at the end of July 1947. The Security Council has since been seized of the issue, and a Good Offices Commission appointed by it has been endeavouring to bring about a settlement.



India took a leading part in opposing the annexation of South West Africa by the Union of South Africa, and in urging the Colonial Powers to bring at least some of their non-self-governing territories voluntarily within the scope of the trusteeship system established by the United Nations.

**Palestine :—**On the question of Palestine, India voted against partition and proposed instead the setting up of a federal state with wide regional autonomy. On the Greek question India voted for the Soviet proposal that all foreign troops be evacuated from Greek soil. As regards Korean Independence, India acquiesced in the holding of elections in South Korea with a view to the calling of a Constituent Assembly at an early date in the forlorn hope that this might lead to the establishment of a national Government.

**Ecafe :—**The Economic Commission for Asia and the Far East, a subsidiary of the Economic and Social Council is a body to which India attaches the highest importance. Its third session was held at Ootacamund in June 1948, and India played a prominent and constructive role in its deliberations.

### THE CENTRAL CABINET

Pandit Jawaharlal Nehru ( Prime Minister )	EXTERNAL AFFAIRS AND COMMONWEALTH RELATIONS
Sardar Vallabhbhai Patel ( Deputy Prime Minister )	HOME, INFORMATION AND BROADCASTING AND STATES
Maulana Abul Kalam Azad	EDUCATION
Sardar Baldev Singh	DEFENCE
Shri Jagjivan Ram	LABOUR
Shri Rafi Ahmed Kidwai	COMMUNICATIONS
Rajkumari Amrit Kaur	HEALTH
Dr. B. R. Ambedkar	LAW
Dr. John Mathai	FINANCE
Dr. Shyama Prasad Mukherji	INDUSTRY AND SUPPLY
Shri N. V. Gadgil	WORKS, MINES AND POWER
Shri K. C. Neogy	COMMERCE
Shri N. Gopalaswami Ayyangar	RAILWAYS AND TRANSPORT
Shri Jairamdas Daulatram	FOOD AND AGRICULTURE
Shri Mohanlal Saksena	RELIEF AND REHABILITATION

## APPENDIX

### Government of India Budget — 1948-49

The Budget of the Government of India, as it was placed on the table of the Assembly, revealed as high a deficit as Rs. 26.85 crores accounting for a revenue of Rs. 230.52 crores as against an expenditure charged to Revenue of Rs. 257.37 crores. But as a result of "budget proposals" the deficit was brought down to a low figure of 1.09 crores because these proposals anticipated a net increase in revenue of the order of Rs. 25.75 crores.

Showing the change in revenue due to them under different Heads within brackets the total receipts from customs were placed at Rs. 81.75 crores (— 0.58); from Central Excise it was estimated to be Rs. 34.00 crores (+ 13.10); from Corporation Tax, Rs. 39.50 crores (+ 10.30), and from Income Tax Rs. 90.50 crores (— 3.92). Gross Receipts from Income, including Rs. 12 crores on account of Excess Profits Tax and Rs. 17 crores on account of Business Profits Tax, have been placed at Rs. 130 crores. The divisible pool is estimated at Rs. 80.24 crores, of which the Centre will retain Rs. 42.37 crores leaving Rs. 37.87 crores as the provincial share. The profits from currency and mint, after allowing for the share of Pakistan, are put at Rs. 9.4 crores and the additional contribution from Post and Telegraphs Department will be Rs. 40 lakhs besides Rs. 37 lakhs shown in the budget.

The total expenditure, which is Rs. 185.29 crores in the Revised Estimate for the period from 15th August, 1947 to 31st March, 1948, is anticipated to increase to Rs. 257.37 crores, mainly due to enhancement in the net expenditure on Defence Services from Rs. 86.63 crores in the former period to Rs. 121.08 crores in the latter, excluding an extra-capital expenditure of Rs. 14.99 crores to be incurred for expansion and development of Land, Sea and Air Forces during 1948-49. Another important single head is the subsidy on Foodgrains, which means a cost of Rs. 19.91 crores in the budget year as compared to Rs. 20.16 crores for the R. E. of 7½ months, thereby, showing a proportionate decrease in the amount. Expenditure on refugees has also gone down from Rs. 14.89 crores to Rs. 10.04 crores.

For the budget year, if these three items are left out, we arrive at a total amount of Rs. 106.34 crores for normal expenditure of the country. This includes Rs. 8.98 crores for tax collection; Rs. 43.86 crores for obligatory expenditure on payment of interest and pensions and provision for debt redemption; Rs. 3.15 crores for Planning and Resettlement; Rs. 2.2 crores for expenditure on Mints and Nasik Press; Rs. 2.95 crores for grants-in aid to Provincial Governments and Rs. 20.93 crores for expenditure in the

nation-building sphere such as Education, Medical, Public Health, Broadcasting, Aviation and Conduct of Scientific Surveys and Research Institutes. The balance of Rs. 24.27 crores represents the provision for ordinary Administration, Civil Works, etc., and this constitutes only 18 p. c. of the total civil expenditure. In addition to the expenditure in nation-building activities described above, a provision of Rs. 30 crores for the grant to Provincial Governments for development and of Rs. 34 crores for loans to them has been made in the capital Budget.

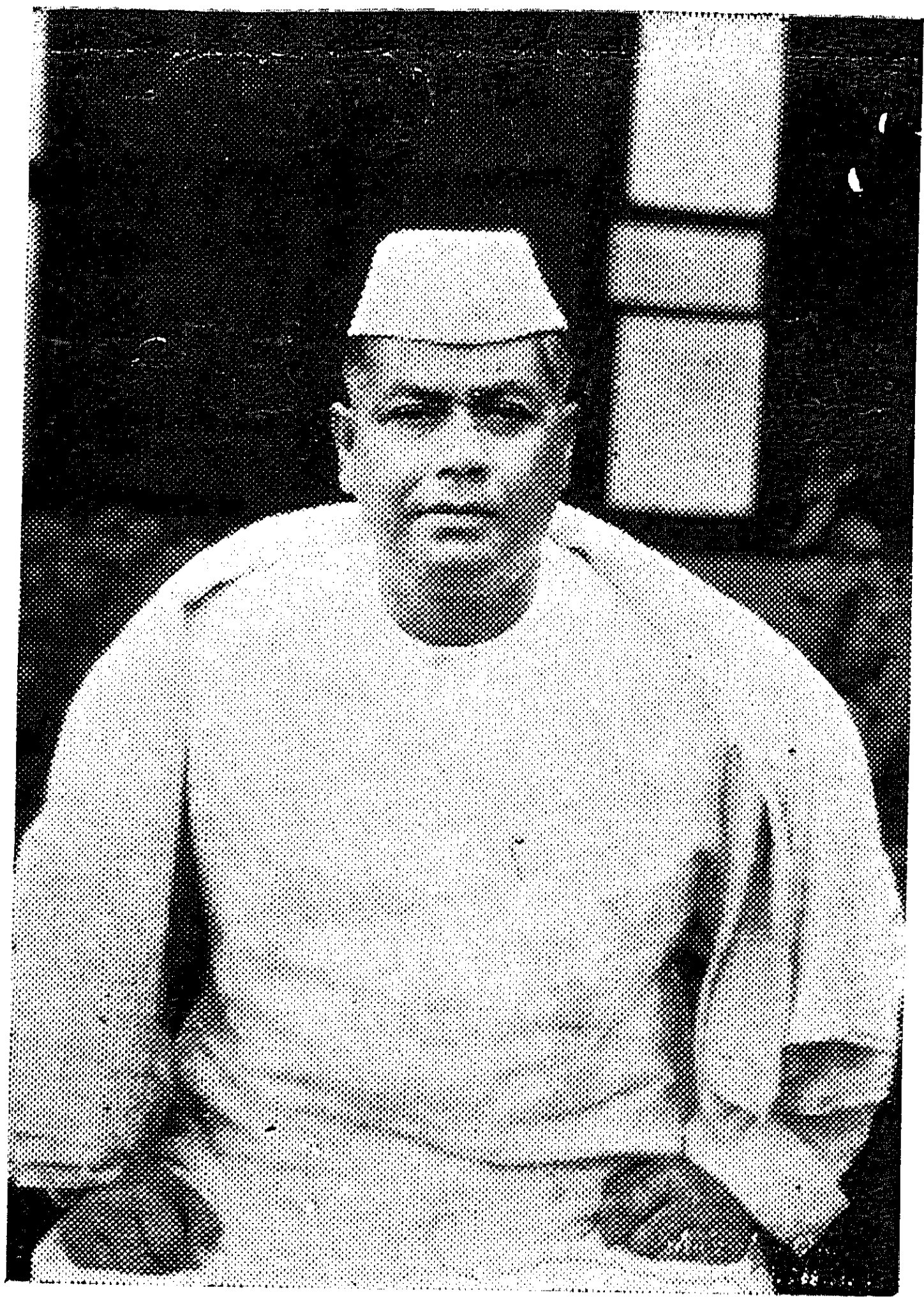
A sum of Rs. 10 crores has been provided for the Rehabilitation Finance Administration and another Rs. 5 crores for loans and advances for Rehabilitation including loans to Provinces for this purpose.

A lump sum cut of Rs.  $2\frac{1}{2}$  crores under various heads of civil expenditure has been made to ensure that some economy is affected pending the Report of the Economy Committee.

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## *A Message from the Hon'ble Premier, Assam :*



It is just a little over two years that the Congress Government is functioning in the Province. It had to pass through very anxious times during all these months, in that, before the 15th of August, the Government had to face onslaughts and aggression, from the Muslim League and after the 15th of August the province was completely isolated from the Dominion of India in every way. Thanks to the good offices of the Central Government this isolation is being gradually removed by opening up of various means of communication which have been pushed with great promptness, as a result of which a sense of security and safety is being

established again in the minds of the people. During the last year various disruptive tendencies expressed themselves in activities which continued to interfere with the efforts of Government in pursuing the policy of integration between the tribal people of Assam and the Plains people and in hampering the march of progress in building a happy and prosperous province in the Dominion of India. Nevertheless, the success achieved by this Government in all spheres of activities during this period must be considered to be very remarkable.

We are well on our way to cordial understanding with the Tribal people of the Hills and the States on our borders.

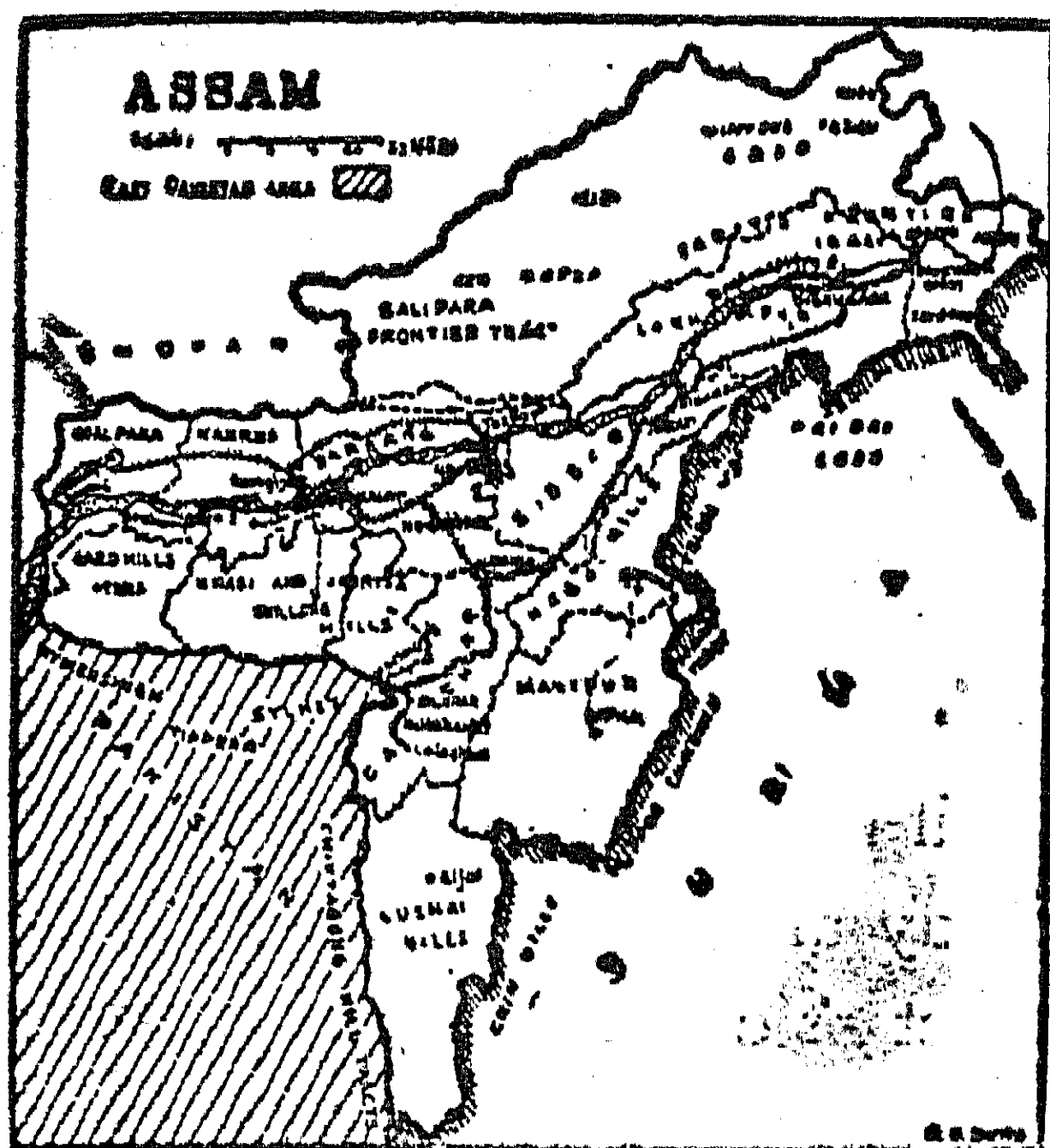
In the sphere of internal development we have already succeeded in establishing a High Court, a University and other essential institutions to make the province really autonomous. Ours is a Province in which we did not even have a Medical College, an Agricultural College, a Veterinary College, Ayurvedic College, Technical institutions and other institutions for training personnel for the big drive for development of the Province. But today we are glad to be able to say that, in spite of difficulties in the matter of buildings, we

have started all these institutions. I do not propose in this preface to detail various other activities of Government in the educational and economic spheres. But I would like to mention the greatest work which the Government feels it has been able to take up for the regeneration of the villages of the Province. It is a plan for an all round upliftment of the villages, in which all the activities of the Nation Building Department of the Government will be projected in the village centres, and in which all this work will be done by the rural panchayats under the advice and supervision of experts. Arrangements have already been made for training an army of persons who would be engaged in doing this uplift work, while all the other Departments of Government, such as Medical, Agriculture, Veterinary, Industry, etc. will concentrate the work in these village centres. We only hope that our efforts will bring the result which it deserves.

We feel that we have only made a beginning in the big drive for reconstruction and fully realised our responsibilities in the future. We do hope that with the goodwill of the people of the province and help and guidance from the Centre, we shall be able to march onwards with the rest of the provinces of the Indian Dominion in building up the great Democratic State of India.

*Gopinath Bardoloi*

# ASSAM



## INTRODUCTION

**A**SSAM is the north-eastern province of India with a population of about 75 lakhs and an area of 50,296 sq. miles. Its boundaries are Bhutan on the north, West and East Bengal on the west and Burma on the south-east. Most of the Sylhet district in Assam has been

ceded to East Bengal in Pakistan after a referendum under the Provisions of Indian Independence Act 1947.

After August 15, 1947 the conditions in Assam have undergone noticable changes in regard to her population and other problems. Before partition the Muslim population in Assam, was 34.42 lakhs according to the 1941 census. As a result of the partition and the transfer of the Sylhet area to East Pakistan the Muslim population has been reduced to 17.52 lakhs. Thus a complete transformation has taken place in the composition of the Assamese people.

Assam is a Governor's province and had a bicameral Legislature until partition. But now it has a unicameral legislature consisting of 71 seats.

The Revenue and expenditure according to 1948-49 Budget estimates are put at Rs. 13.1 crores and Rs. 14.6 crores respectively showing a deficit of Rs. 1.5 crores which would rise to Rs. 1.75 crores as a result of improvement of pay-scales in the Province. The Government of India have increased



Assam's share of income-tax by one percent. Due to the separation of Sylhet, the normal receipts and expenditure have in general gone down, but compared with the current year's revised estimates they are up by about 715 lakhs and over Rs. 699 lakhs respectively. This is mainly due to the larger provision for the Government of India's grant for, and the expenditure on post-war reconstruction schemes, and the inclusion of new schemes to the extent of Rs. 18 lakhs of which about Rs 85 lakhs will be utilized for buildings and reorganisation of the Police Department alone.

## FOOD

The food problem of Assam with particular reference to pulses, gur, sugar and mustard oil has been a headache to the Ministry. In the matter of paddy and rice, of course, the province is self-sufficient. In respect of cloth the province has to depend on import from outside. About 12 crores of rupees is spent on import of these essential commodities, which means that the Government has to spend Rs. 15/13/- per capita of the population per annum for the supply of these goods. Since the Partition took place, the situation became all the more difficult on account of the fact that there was no direct rail link with the rest of India and all supplies from outside the province have had to pass through Pakistan territories. This means delay.

In order to relieve the province of this difficult situation, steps have been taken by the Ministry to make Assam self-sufficient in the matter of foodstuffs. Steps have been taken to get expert advice for finding out means to increase production. A Grow More Food plan has been chalked out under which use of manure, supply of better variety of seeds, encouragement of Double Crop (Double Crop) cultivation, farms to demonstrate efficient and modern methods, pilot schemes for experimenting with state farming under the auspices of Government and organisation of cooperative colonies on available cultivable land will be started to serve as examples to agriculturists to encourage and help them in their efforts to produce more food. It is

expected that if the Government endeavour is successful, Assam will not only be self-sufficient in respect of foodstuffs but also be able to help other parts of India by supply of larger quantity of paddy and rice. The "Grow More Food" campaign has been launched and good response is expected.

## GOVERNMENT LAND POLICY

The Assam Government laid down their land policy in an official resolution in July 1945. In terms of that resolution, the Government adopted eviction operations in 1947 and cleared the Professional grazing Reserves of the encroachments by the immigrants including a large number of Muslims from those districts which are now part of the Pakistan Dominion. The Provincial Government had to face very strong opposition from the unauthorised squatters. But inspite of this opposition, the Government succeeded in the eviction work.

After this the Government have adopted plans for allotting lands to the landless indigenous people, 'protected' encroachers and for the formation of 'Tribal Belts' for providing lands to the tribal people. The Government have started a State Farm at Moamari Reserve covering an area of 500 acres of land which are being utilised for mechanised production on block system. Tractors are already engaged in action in that Reserve.

## TENANCY REFORMS.

In Assam, except in a few thanas of Sylhet which are now in Pakistan and in Goalpara, the land system is ryotwari. Nevertheless, to abolish even the small zamindaries which exist, the Government of Assam have appointed a special officer to collect data and to examine the question of the abolition of zamindari in the province. In the meantime Government have circulated a questionnaire regarding abolition of Zamindaries inviting public opinion on the basis of the questionnaire prepared by the All India Congress Committee Office.

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Certain other reforms have also been carried out in the tenancy system of the Province. For the relief of tenants in respect of the exorbitant rates in kind exacted by the landlords the Assam Ministry has passed a Bill in the Assembly known as the "Adhiars' Protection and Regulation Bill, 1948". The Act aims at removing this hardship to the tenants by fixing up the maximum of rents in kind.

The Ministry has also undertaken to survey the Fee Simple Grants covering a considerable area which were originally given for the tea industry. The Government intends to take away the unused lands from the tea planters and to distribute the same to the landless cultivators. In Assam there is another question relating to Dharmottar and Khamar lands. No definite policy has yet been formulated in regard to these lands; but the Government have already appointed a Special Officer for the purpose of studying this matter and to suggest to the Government what steps should be taken. It is evident therefore, that the Assam Ministry has gone ahead in doing the spadework for the abolition of Zamindaries and for the reform of tenancy laws.

## EDUCATION.

Although Assam was made an autonomous province under the Government of India Act, 1935, with the Muslim League Ministry in power since the inauguration of that Act (barring a short period of 14 months only when the Congress Coalition Ministry was in power in 1938-1939) the Province had remained in her pre-1935 Reform status from the point of her educational development. Assam had to depend on Bengal in regard to University, Engineering College and Medical Education. The Congress Ministry soon after it was sworn in 1946, had to strain its nerves hard to equip the province with these major and essential institutions. It is indeed a matter of great satisfaction to the people of Assam that the Congress Ministry has been successful in satisfying these needs within such a short time.

There was a great agitation for the establishment of a Residential University at Gauhati. Soon after August 15, 1947 the Ministry of Education drafted a Bill and carried it through the November session of the Assembly. In December, it received the assent of the Governor and from January 1948, the Gauhati University took over the examination work from the Calcutta University. A large area of land has been acquired for the University and other buildings. Government have made a recurring grant of Rs. 5 Lakhs and are proposing a grant of Rs. 11 Lakhs from the current year's budget and Rs. 30 Lakhs for the next financial year for buildings and equipments. The collection of about 6 lakhs of Rupees from the people by the Gauhati University Trust Board, has been made over to the University.

A Medical College was started in November 1947 and is functioning as a first class institution.

While some small agricultural institutions have already been started for training of agricultural demonstrators, a scheme for an agricultural College is already in progress. Site for that purpose has been selected near the experimental Farms and Research Institute at Jorhat and buildings are being acquired on a temporary basis. The classes are expected to begin from July 1948.

A plan for a college of Engineering with Rivers Training as a special subject is being worked out by a special officer and site for that purpose is being acquired. In the meantime a school for overseer classes has already begun.

Other institutions such as a Veterinary College, Ayurvedic College, Police Training College, a Training Institute for Cooperative Officers, are also in the offing. The first 2 colleges are expected to start soon at Nowgong and Gauhati respectively.

Generous grants have been given for spreading primary education and for education through the mother tongue in Middle Schools. Training centres for primary teachers were opened in important towns.



Compulsory primary education was introduced in the Province by a law passed in 1947. The preliminary work in this connection has already started. In the meantime A Provincial Board for compulsory Primary Education has been appointed. The Ministry has decided to intensify the mass literacy campaign launched sometime back.

The Government have laid special stress on basic education. At present teachers for Basic Education Schools are being trained at Jamia Milia, Delhi or at Wardha. Government have already taken a scheme in hand for a Training College where such teachers would be trained.

To meet the growing demands of the students particularly of the tribal areas the number of scholarships has been considerably increased. The Primary School teachers' pay was raised last year from Rs. 12/- to Rs. 20/- per month which will be raised further to Rs. 30/- in 1948. The increased grants in aid to the Government Aided High Schools and raising of dearness allowance from Rs. 7/- to Rs. 10/- are some of the measures which the Ministry has taken for the amelioration of the grievances of the non-government school teachers.

The language policy of the Government has not yet been announced, but it is intended that English will have no place in the curriculum upto the Middle School standard.

## INDUSTRY.

For the nationalization of Industry the Assam Ministry has appointed an Industrial Adviser to collect facts and figures in respect of large-scale and small-scale industries of the province which may have to be undertaken by Government as State-owned or partially State-owned.

In Assam the major industries are tea, petrolium and some coal. The tea industry involves a huge capital already sunk by the private individuals and companies. Nationalisation of the tea industry must take a long time. The Assam Government expect to take important decisions as regards

nationalisation of transport, very soon. As an experimental measure, a route is already under the Government management. But Government propose to take over some routes soon by adopting any one of the following alternatives :—

1. Those completely owned and run by government.
2. Those in which Railway and Government will participate.
3. Those in which private parties, government and railway will participate.

## RURAL DEVELOPMENT.

On the occasion of Gandhiji's birth-day, the 2nd October 1947, the Assam Ministry announced the blue print for rural development of the province. In presenting the scheme the Premier emphasised that the rural development schemes which the Government have in view would form the very basis of society and the country. The Government propose according to the Five-year Development Plan, to develop the villages under 720 rural development centres spread all over the Province at the rate of 142 every year. In addition to these 78 Model Villages will be started during the 5 years and these will be built on scientific lines. Self-sufficiency and self-help will be the guiding principles of the plan. It is expected that if the plan is implemented under capable men, it will give 96 p. c. of the villagers real local self government. The government are going to start a Rural Development Workers' Training Institute so that the persons entrusted with rural development schemes might be properly trained.

In the March-April Session of the Assam Assembly the "Assam Rural Panchayat Bill, 1948", was introduced. Over rupees six crores have been sanctioned for spending on the rural development scheme. The Bill has been passed by the Assembly and will come into operation shortly.

A separate Department called the "Rural Development" Department has been set up. Other Departments such as the

Cooperative Department and the Industry Department will coordinate the activities connected with the welfare of the villagers.

## LABOUR

The labour problem which is closely related to industry but to which adequate attention was not given hitherto has engaged special attention of the Ministry. An Advisory Committee to suggest measures to the government for welfare of the labourers was set up and the government has a scheme for better housing and educational facilities for the workers. Much will depend on the decisions taken by the Central Government in regard to these and allied questions.

There were generally good relationship between industry and labour. The minor differences which existed between the employees and the employers were amicably settled by the Labour Department of the Government, despite the machinations of the Communists and the socialists who had their own axes to grind.

## REVISION OF SALARIES

Considering the hard lot of the low paid government employees, the Ministry appointed a Pay Committee which has finished its task and submitted its recommendations. The government have announced that increased salaries will be given to the government employees with effect from April 1, 1948 for which the government will have to bear an immediate expenditure of Rs. 25 lakhs which will rise to Rs. 75 lakhs later. The government also have decided to fix up the maximum pay to government officers at 1500/- P. M. only with a view to doing away with the big gap that exists between the maximum and the minimum of salaries of government employees.

For the employees of the non-government institutions, government last year have increased dearness allowance which has been further increased this year.



## COMMUNICATIONS.

The partition of India left the province of Assam without any direct link by air, road or rail. As a result of discussions, with the Government of India a direct link has now been established by a new railway line across North Bengal. So now Assam's transport does not have to pass through Pakistan territories. Government of India have also agreed to open 2 more air fields in the province. One at Kumbhirgram in Cachar and the other at Dinjan in Lakhimpur District. With the co-operation of the Government of Bengal and Bihar an access road has also been established.

## DEFENCE.

As Assam is surrounded by Pakistan territories for about 300 miles on her border external defence becomes the Government of India's responsibility. But at the same time strengthening of internal defence became our urgent necessity. The Government of Assam therefore lost no time in taking up this question and passed the Home Guards Act, 1947. Enrolment of Home Guards and their training have already started. To suppress underground activities and lawlessness the Assam Government have improved the security police. The Police Force also has been increased by 70 per cent.

## MISCELLANEOUS

It would not be out of place here to mention the progress that has been made by the Ministry with reference to the development of hydro-electric power, river-training and drainage and embankment works. These matters are vitally connected with the development of the natural wealth of the province and with the welfare of the people. The Ministry therefore did not lose time in examining the possibilities of hydro-electric power and also in finding ways to exploit the mineral wealth in the Garo Hills and other parts of the province. The government collected necessary facts and figures and it is expected that projects will be put through as early as possible.

Government are also carrying on the Opium Prohibition Campaign and are determined to remove the evil. A new Act to that effect was passed and is being enforced from April, 1, 1948.

Formerly Assam had a common High Court with Bengal High Court. The scheme was finalised in March 1, 1948 by the Home Department of the government of India. A separate High Court for Assam is now functioning at Gauhati from April 5, 1948, with the Hon'ble Justice R. F. Lodge as its first Chief Justice.

The Broadcasting Department of the Central Government have opened two radio studios at Gauhati and Shillong. Temporarily it covers an area extending upto Goalpara Sub-division in the West and Silchar in the East. So, Assam is now on the air-map of India.

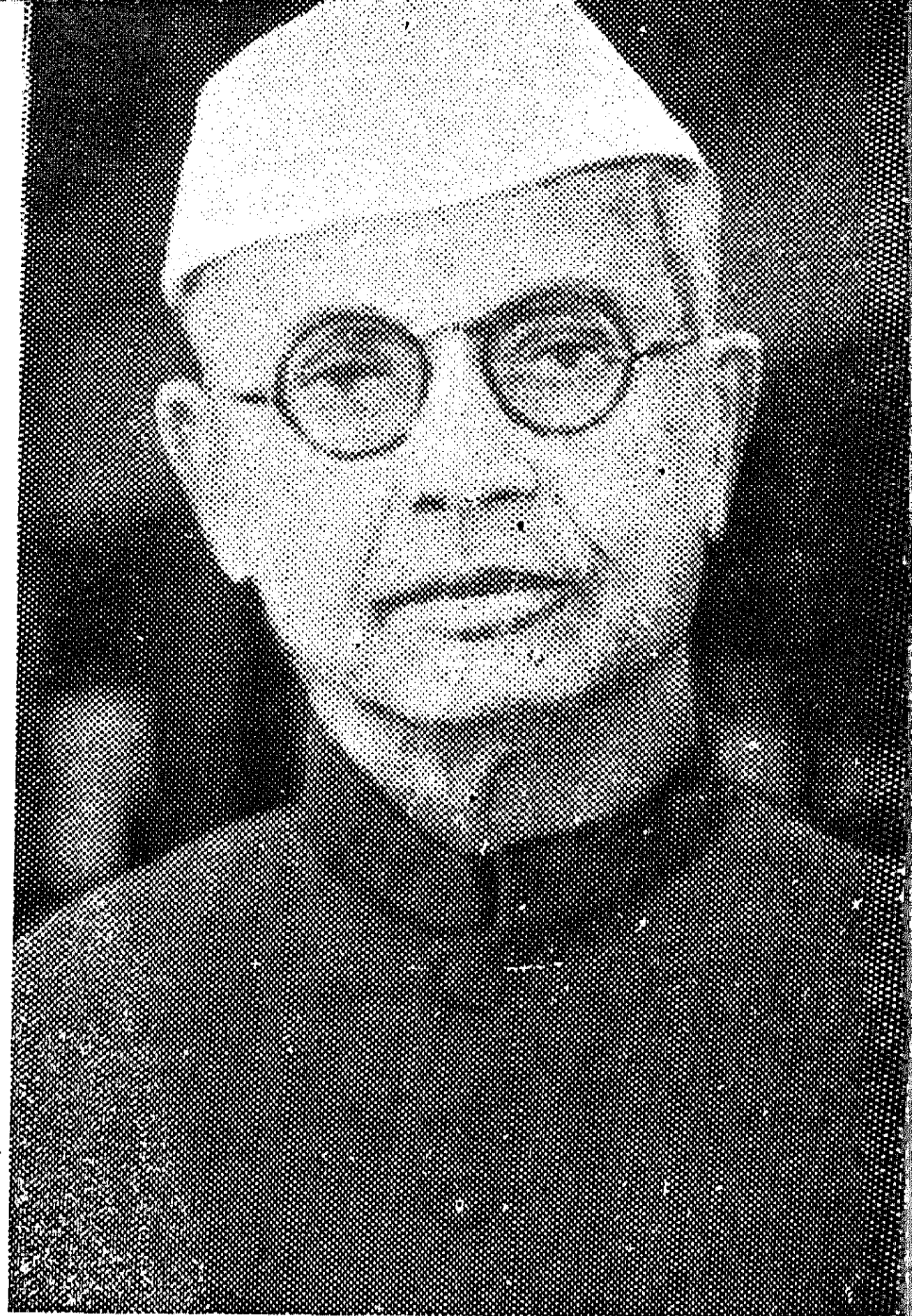
## RELATIONS WITH TRIBAL PEOPLE

On account of the 'Museum policy' of the British Government a large population of the province in the Excluded, Partially excluded and Tribal areas of Assam were so long kept in isolation from their brothers in the administered districts. This led to a feeling of suspicion in the minds of the simple tribal people against the rest of Assam. Thanks to the caution and generous policy of the Assam Ministry, that feeling is now dying and there is today eagerness on the part of the tribal people to gradually come into the economy of Assam. The new feeling was particularly given a fill up by the "Hills and Plains' Peoples Week" held at Shillong in November, 1947. The idea was originated by the Premier and the initiative in this matter was taken by H. E. Sir Akbar Hydari, the Governor and Lady Hydari and the week afforded an opportunity for all, including the leaders of the tribes and the Congress, to exchange views for better understanding and for mutual integration and assimilation.

In this connection, mention should be made of the "Five year Development Plan" in the North East Frontier Tracts

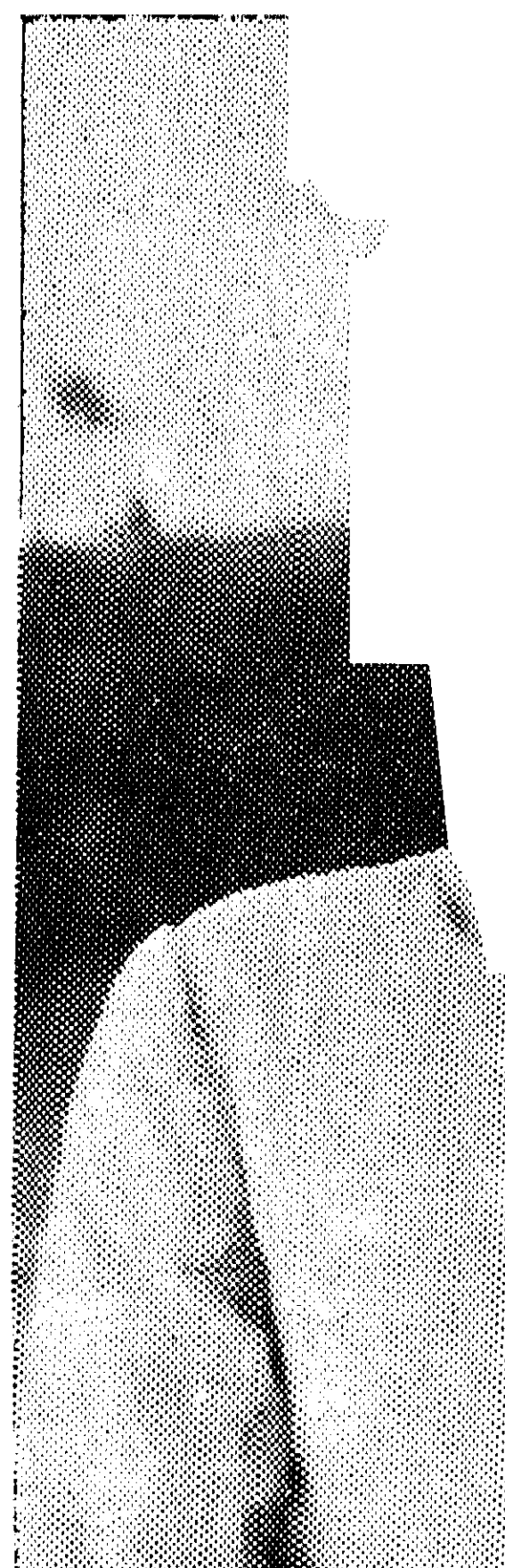


**Maulana Mohamed Tayyebulla**

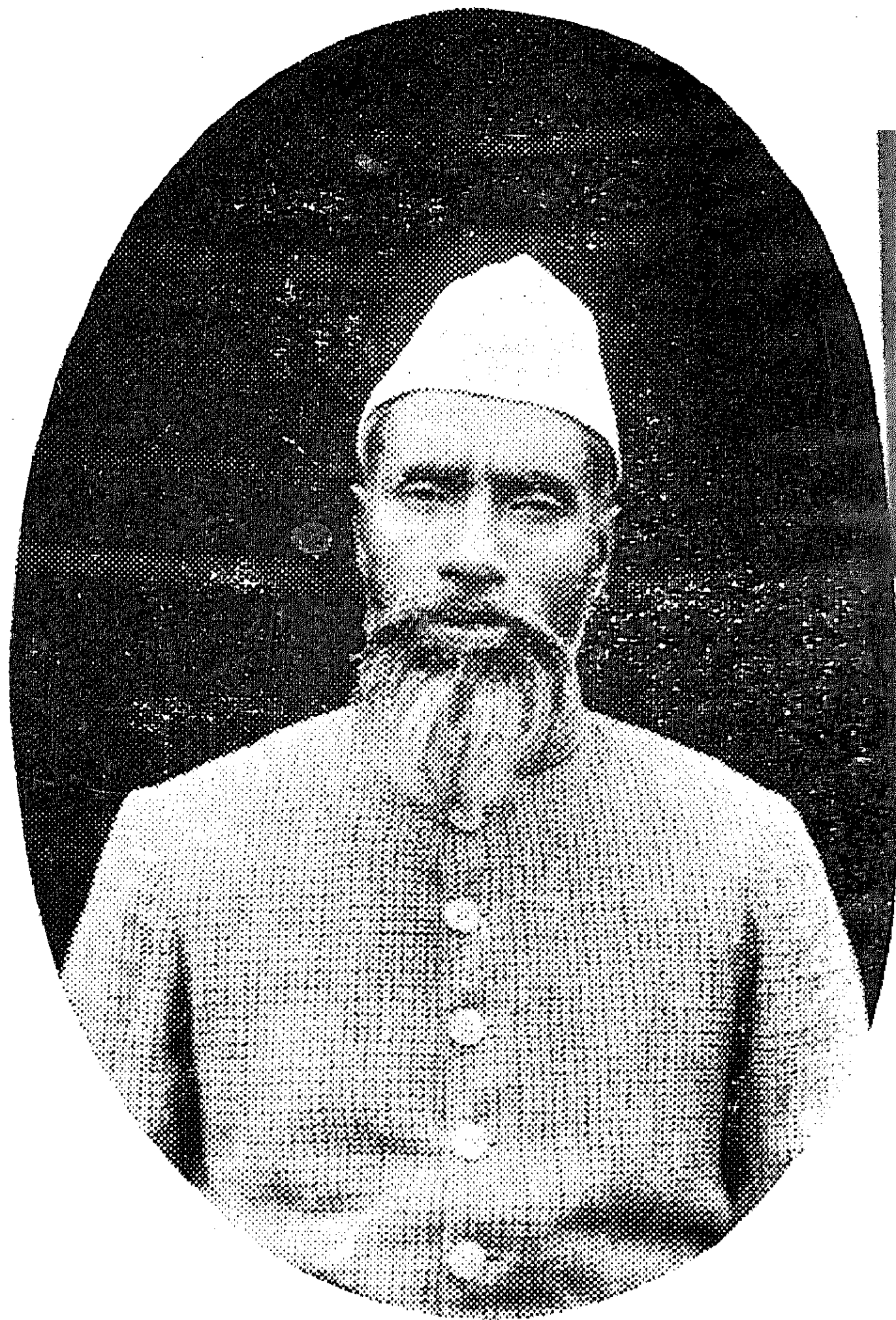


**Shri Omeo Kumar Das**

**Shri Rupnath Brahma**

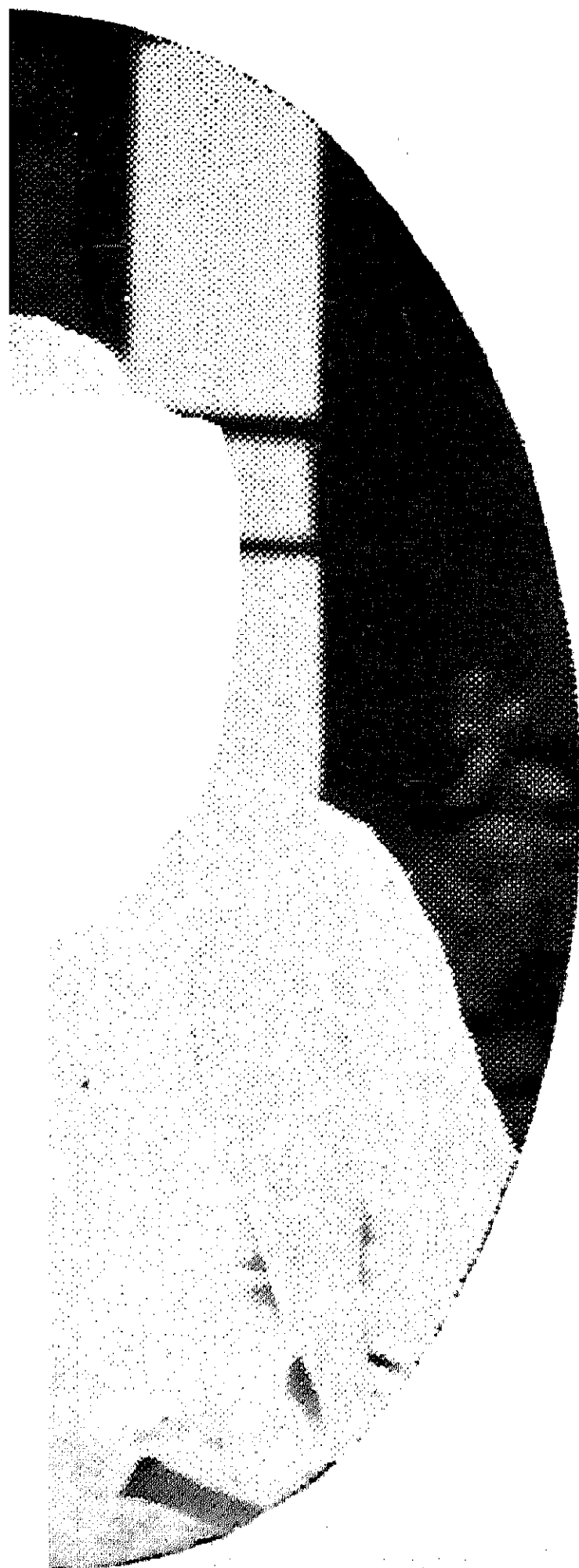






Maulvi Abdul Matlib Mazumdar

Shri Rev. J. J. M. Nichols Roy



Nath Das



Shri Bishnuram Medhi

which have on account of their peculiar geographical position international importance. The plan was initiated in April last years and the cost is being borne by the Central Government for the development of the Hill tribes in these regions covering roughly 5000 sq. miles. In spite of difficulties such as shortage of building materials, want of technical staff and proper administrative personnel, which were inevitable at the preparatory stage, the progress made during the first year of the Plan has been satisfactory. Roads, buildings for officers, quarters, dispensaries, training schools for teachers in the Hill areas, and a few agricultural farms have already been established and it is hoped that greater progress would be made in the second year.

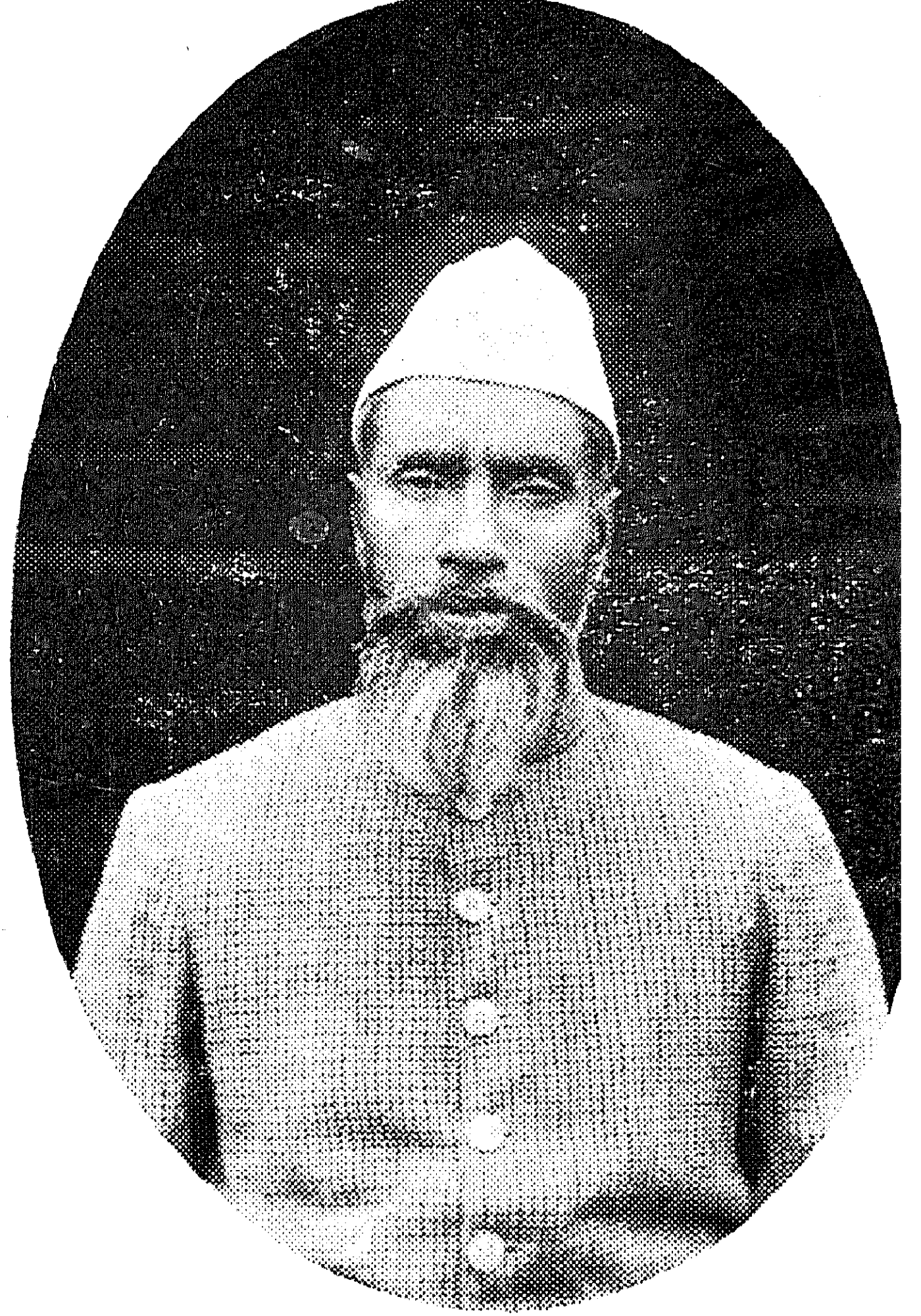
### ANTI CORRUPTION DRIVE.

Government have created a Special Anti-Corruption Branch to combat corruption in services which has been functioning since September, 1946. This branch has been able to detect some cases of corruption in various departments of Government and have dealt with them suitably.

### THE ASSAM CABINET

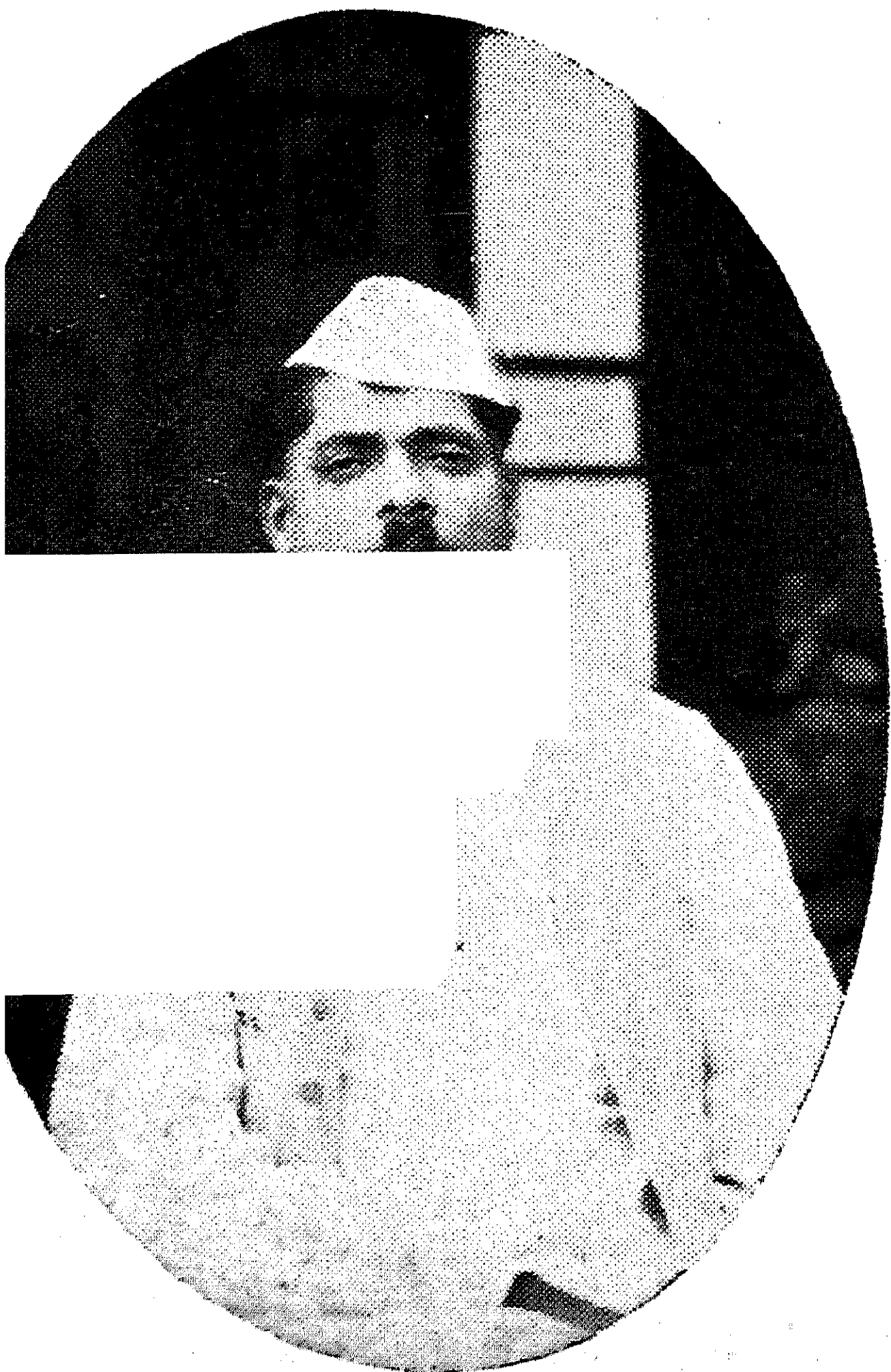
Shri Gopinath Bordoloi, Premier	HOME, EDUCATION, TRANSPORT, INDUSTRIES & COOPERATION
Shri Bishnuram Medhi	FINANCE, REVENUE & LEGISLATIVE
Shri Rev. J. J. M. Nichols Roy	PUBLIC WORKS
Shri Ramnath Das	MEDICAL, PUBLIC HEALTH AND ELECTRICITY
Maulvi-Abdul Matlib Mazumdar	LOCAL SELF-GOVERNMENT, AGRICULTURE & VETERINARY
Shri Rupnath Brahma	FOREST, JUDICIAL AND REGISTRATION
Shri Omeo Kumar Das	FOOD, SUPPLY AND LABOUR
Maulana Md. Tayyebulla	EXCISE, PUBLICITY AND JAILS





Maulvi Abdul Matlib Mazumdar

Shri Rev. J. J. M. Nichols Roy



Shri Ramnath Das



Shri Bishnuram Medhi



which have on account of their peculiar geographical position international importance. The plan was initiated in April last years and the cost is being borne by the Central Government for the development of the Hill tribes in these regions covering roughly 5000 sq. miles. In spite of difficulties such as shortage of building materials, want of technical staff and proper administrative personnel, which were inevitable at the preparatory stage, the progress made during the first year of the Plan has been satisfactory. Roads, buildings for officers, quarters, dispensaries, training schools for teachers in the Hill areas, and a few agricultural farms have already been established and it is hoped that greater progress would be made in the second year.

### ANTI CORRUPTION DRIVE.

Government have created a Special Anti-Corruption Branch to combat corruption in services which has been functioning since September, 1946. This branch has been able to detect some cases of corruption in various departments of Government and have dealt with them suitably.

### THE ASSAM CABINET

Shri Gopinath Bordoloi, Premier	HOME, EDUCATION, TRANSPORT, INDUSTRIES & COOPERATION
Shri Bishnuram Medhi	FINANCE, REVENUE & LEGISLATIVE
Shri Rev. J. J. M. Nichols Roy	PUBLIC WORKS
Shri Ramnath Das	MEDICAL, PUBLIC HEALTH AND ELECTRICITY
Maulvi-Abdul Matlib Mazumdar	LOCAL SELF-GOVERNMENT, AGRICULTURE & VETERINARY
Shri Rupnath Brahma	FOREST, JUDICIAL AND REGISTRATION
Shri Omeo Kumar Das	FOOD, SUPPLY AND LABOUR
Maulana Md. Tayyebulla	EXCISE, PUBLICITY AND JAILS

## APPENDIX

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### THE ASSAM BUDGET.

The total Revenue Receipts of the province are estimated at Rs. 1,311.62 lakhs for the budget year 1948-49 as against Rs. 696.65 lakhs for the Revised Estimated for 1947-48, while the figures for corresponding expenditure are estimated at Rs. 1,461.21 lakhs and Rs. 761.92 lakhs, leading to a deficit of Rs. 149.59 lakhs in the budget as against Rs. 65.27 lakhs last year. But this is no cause of alarm in view of the developmental needs of the province which are long over due.

Out of the total Revenue Receipts of the budget year a sum of Rs. 778.12 lakhs represents the grant expected from the Central Government for financing various developmental projects. The basic Revenue Receipts, therefore, come to Rs. 533.50 lakhs; the principal items being Land Revenue Rs. 160 lakhs; share of Income-Tax Rs. 108 lakhs; Agricultural Income-Tax Rs. 30 lakhs; Excise Rs. 56 lakhs; Share of Jute Export Duty Rs. 6.67 lakhs and subvention from the Central Rs. 30 lakhs.

The budgeted Revenue Expenditure of Rs. 1,461.21 lakhs includes a sum of Rs. 778.12 lakhs on account of the development projects expected to be financed by grants from the Government of India. The basis expenditure for 1948-49, therefore stands at only Rs. 683 lakhs against Rs. 565 lakhs last year. Showing the figures for Revised Estimate for 1947-48 in brackets, the expenditure including that due to Post-War Development schemes amounts to Rs. 132.91 lakhs (103.92); on Education, Rs. 197.41 lakhs (67.09); on Medical and Public Health, Rs. 66.68 lakhs (42.50); on Agriculture, Rs. 5.89 lakhs (6.68); on Veterinary, Rs. 57.78 lakhs (10.41); on cooperation, Rs. 29.54 lakhs (15.49); on Industries, and Rs. 416.06 lakhs (159.88) on Civil Works charged to Revenue.

The budget evidently provides for sufficient expenditure for rendering social services to the people and for promoting such useful progressive objectives for the development of the province as will be conducive to raising the standard of living of the common man.

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# *A Message from the Hon'ble Premier, Bihar :*



The foremost among the objectives of my Ministry has been the social and economic emancipation of the rural population. When we assumed office, the Harijan and the Aboriginal often without any agricultural land of his own, was not secure even in the possession of the little home-stead land which he occupied at the mercy of the person to whom the land belonged. We have enacted a law which makes him secure in his homestead land. The landlord was free to settle the bakasht lands (i. e. lands which had once been in possession of tenants but which they had lost for one reason or another) with

whomsoever he liked ; we have now made a law under which such lands can be settled only with tenants of the same or a neighbouring village. In the agriculturally undeveloped districts of the Chotanagpur Division and the Santal Parganas, there were large tracts of fallow land at which the poor cultivator looked wistfully, but which he could not cultivate without paying premium which was usually beyond his means. He can now bring such lands under cultivation with the permission of the Deputy Commissioner, without reference to the landlord. The system of payment of rent in kind, with its numerous attendant evils prevailed in several areas ; such rents have now largely been converted into cash rent, and the tenant is now free from the harassment to which he used to be subjected. Another law has been passed to enable Government to reclaim waste lands and to make them available to the actual tillers of the soil. Above all, when we took the reins of administration in our hands, the 150 year old zamindari system was firmly entrenched. This semi-feudal institution had had a most cramping effect on the rural population ; a class of rentiers, often lacking in sense of social responsibility, stood between the tenant and the State ; the system had inhibited the expansion of Provincial revenues, and made the Provincial

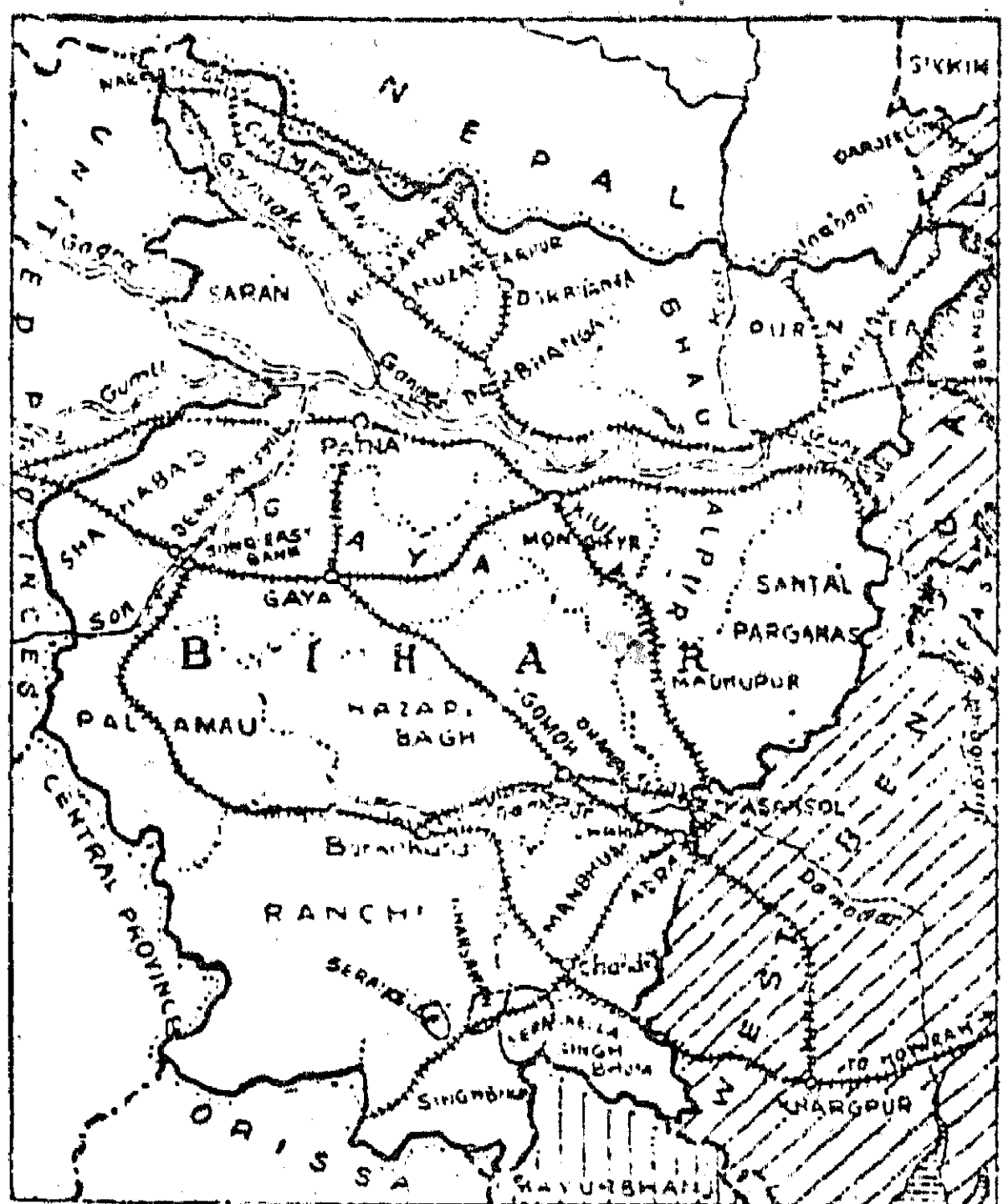


Government about the poorest in the country ; and the peasantry which had developed social consciousness during the three decades of political struggle was chafing under an agrarian system which it considered degrading to human dignity and socially indefensible. In spite of numerous difficulties, we addressed ourselves to the gigantic task of liquidating this system by legislation, and with the passage of the Abolition of Zamindari Bill through the Legislature, we can I think, claim that our object has been practically achieved — and achieved in such a manner that while a historic necessity has been fulfilled, the landlords have been assured a fair and equitable compensation. And the deck will now be clear for intensive efforts for rural development in general and agricultural improvement in particular.

*Sri Krishna Sinha*

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# BIHAR



## INTRODUCTION

speaking various tongues, chief among which is Eastern Hindi.

**B**IHAR is bounded on the north by Nepal, on the west by the United Provinces, Central India Provinces, on the south by Orissa and on the east by Bengal. This province includes Chota Nagpur and has an area of about 69745 Sq. miles and a population of about 36 millions comprising a variety of races

Bihar is a Governor's province and has a bicameral legislature, the Bihar Legislative Council and the Bihar Legislative Assembly. The Legislative Council has not more than 29 members and not less than 28 members. The Lower House Consists of 150 seats. A Congress Ministry is carrying on the Government.

The revenue and expenditure of Bihar for 1948-49 are estimated at Rs 21.5 crores and Rs. 2.0 crores respectively. The Government expect a grant of Rs. 6 crores from the Central Government for post-war reconstruction within the province and account has been taken of this figure in the revenue estimates of Rs. 21½ crores.

On the expenditure side, the Government have set aside Rs. 3½ crores for building a Reconstruction Reserve Fund after providing Rs. 5½ crores for post-war scheme. The establishment of a Government phosphate factory and taking up the controlling share in a public corporation for setting up a spun silk factory are indicated in the Budget, while

a large number of schemes including one for partial socialization of road transport are under contemplation of the Government.

The first year of freedom was a period of trial for the Bihar Government as it was for other provincial governments. But it must be said to the credit of the Bihar Ministry that in the midst of all the difficulties and obstacles that beset their path and inspite of the heavy demands suddenly made on their slender resources and strength they did not slacken in their efforts to promote the welfare of the Province and improve the lot of the common man. They have pursued with unabated zeal their various programmes and have gone ahead with a large number of important legislation to ameliorate the economics, social and educational conditions of the people.

## AGRICULTURE AND FOOD

The government's attempts to increase the area under cultivation and thus aid the Grow More Food Campaign by the construction of bandhs, ahars, tanks etc., benefited an area of 908293 acres at a total cost of about Rs. 30 lakhs. The result thus achieved might well be regarded as quite encouraging. By the end of November 1947, the Agriculture Department was able to complete the construction of 840 wells, 911 ahars, bandhs and pynes and 80 open borings. In addition 124 Rahat pumps were sold to cultivators.

Some of the measures taken to step up food productions were:—

- (1) Open borings in wells;
- (2) provision of Rahat pumps;
- (3) installation of tube-wells;
- (4) supply of improved seeds;
- (5) encouragement of food production and;
- (6) reclamation of land through anti-erosion measures.

A Horticultural Development Committee, consisting of officials and non-officials has been appointed by government to



develop horticulture in the province. Under a scheme, sponsored by this Committee about 1.642 acres of old orchards were improved, and 387 acres of new orchards were planted. 130,000 seedlings of papaya and kagzi lemons were distributed to the growers. These activities no doubt resulted in substantial increase in the production of foodgrains. Soil erosion in the hilly regions of Chota Nagpur has been throwing large areas out of cultivation. In order to reclaim the eroded lands, and to demonstrate to the cultivators the simple measures necessary for the prevention of erosion, a scheme of contour-ridging was undertaken in Chota Nagpur.

## IRRIGATION

To extend the irrigation channels to the farthest limit possible, a new measure called the Bihar Public Works Irrigation and Drainage Act, 1947 was enacted. This is a multi-purpose measure providing for the construction, improvement and maintenance by the Provincial Government of all irrigation drainage and flood control schemes. Three Waterways Divisions were created for taking up such schemes in the different parts of the Province.

Drainage of a number of 'chaurs' in Saran, Champaran, Muzaffarpur and Darbhanga was also taken in hand. These 'chaurs' are natural depressions in the countryside which get flooded during monsoons by the overflow of the neighbouring rivers and which, for want of drainage, remain water-logged for months after the flood season is over. This is characteristic of North Bihar only. Drainage of these 'chaurs' has been a chronic problem with the Irrigation Department of this Province. But it had not been dealt with in a scientific and systematic manner till the advent of the present Ministry. The schemes which are now being worked would result in reclaiming 13,568 acres of land. Other schemes which are to begin working shortly are expected to yield nearly 19,000 acres of good cultivable land. Further plans which have been prepared and are under consideration, when sanctioned and worked, are estimated to give another 72,000 acres. Two important

schemes under consideration are the harnessing of the Panchan river, the Sakri cannal project. These are estimated to irrigate vast tracts of good paddy fields and add considerably to the foodgrains stock of the Province. Eight more drainage schemes and 12 other irrigation schemes are also to be taken up shortly.

At present three electrification projects are operating in the province, viz, the Dehri-Sasaram Lift-Irrigation scheme, the 'Patna-Bihar-Bakhtiarapur-Ekangarsarai-Bihta scheme popularly known as the PBBEB scheme and the Town electrification scheme. Government have under consideration the Bihar Electric Grid scheme which when completed will feed the Jharia Coalfields and the adjoining areas. A similar Electric Grid for South Bihar is also being developed. Two other projects which are in progress and which when completed, will benefit the province immensely are the Damodar Valley and the Kosi Projects. Both are Central Government projects, which have been greatly welcomed by Bihar.

## COOPERATIVE SOCIETIES.

Some of the notable achievements of the Bihar Government in the cooperative field during the past year were the expansion of the Weavers' Cooperative Societies, organisation of the Multi-purpose Cooperative Societies, distribution of large quantities of seeds, manures and cattle-feed to the cultivators at cheap rates through Credit Agricole, and the execution of minor irrigation works. The total value of cloth produced by the Weavers' Cooperative Societies rose from 2 lakhs in 1945 and from 7 lakhs in 1946 to about 20 lakhs in 1947. Over 398 Multi-purpose Cooperative Societies were registered during the year,

With a view to convincing the cultivator that it is easier and more profitable to cultivate cane in bigger plots, and that it is possible to convert the smaller holdings into bigger ones by cooperation without the cultivator losing his right of ownership, five experiments on Cooperative farming have been

going on. Proposals for improving the varieties of sugarcane as a result of research are under consideration.

## HEALTH.

Government have under examination several schemes for combating epidemics and improving public health. The Malaria treatment scheme worked successfully in the districts in which high incidence of the disease was recorded. All supplies of quinine and other anti-malarial drugs were made free to local bodies for distribution to malaria sufferers. To deal effectively with plague, special cyanogassing was introduced for the destruction of rats. Twenty Kala-azar Centres had been established in various districts of North Bihar for free mass treatment of Kala-azar cases. The Public Health Department maintained a special epidemic staff consisting of 80 doctors, 20 Assistant Sanitary Inspectors, 500 Health Assistants and 100 disinfectors with a view to bringing speedy medical relief to the sufferers during the outbreak of epidemics. A special vaccination staff is maintained by the department to supplement the efforts of the local bodies. The total budget of the Public Health Department is a little over 40 lakhs every year, which includes Rs. 3,77,492 for anti-plague and Rs. 10,00,933 for anti-malaria schemes and Rs. 11,03,969 for epidemic staff.

For providing better facilities for medical education, the Medical School at Darbhanga was raised to the status of a College. The Province thus possesses now two Medical Colleges; and a third one is proposed to be opened in Chota-Nagpur. Special concessions have been granted for medical training to lady students and aboriginal students. The Sadar hospitals at Patna and Darbhanga and fourteen other hospitals at district headquarters, in addition to four subdivisional hospitals were provincialised. A separate children's Hospital attached to the Patna Medical College is being opened and facilities for treatment have been improved in other directions. A Blood Bank and Blood Transfusion Service was organised



on a permanent basis. Four fully-equipped units are to be set up for medical relief in the flood-affected areas of North Bihar. Meanwhile, ten medical centres have been opened for interim relief at a cost of Rs. 1,00,912.

Promising medical men were sent for specialists training abroad. Grants to District Boards for medical relief in rural areas were considerably increased. The Government Ayurvedic and Tibbi Schools at Patna were raised to the status of colleges. A total sum of Rs. 15,000 was spent during the last year to subsidize charitable Homeopathic dispensaries.

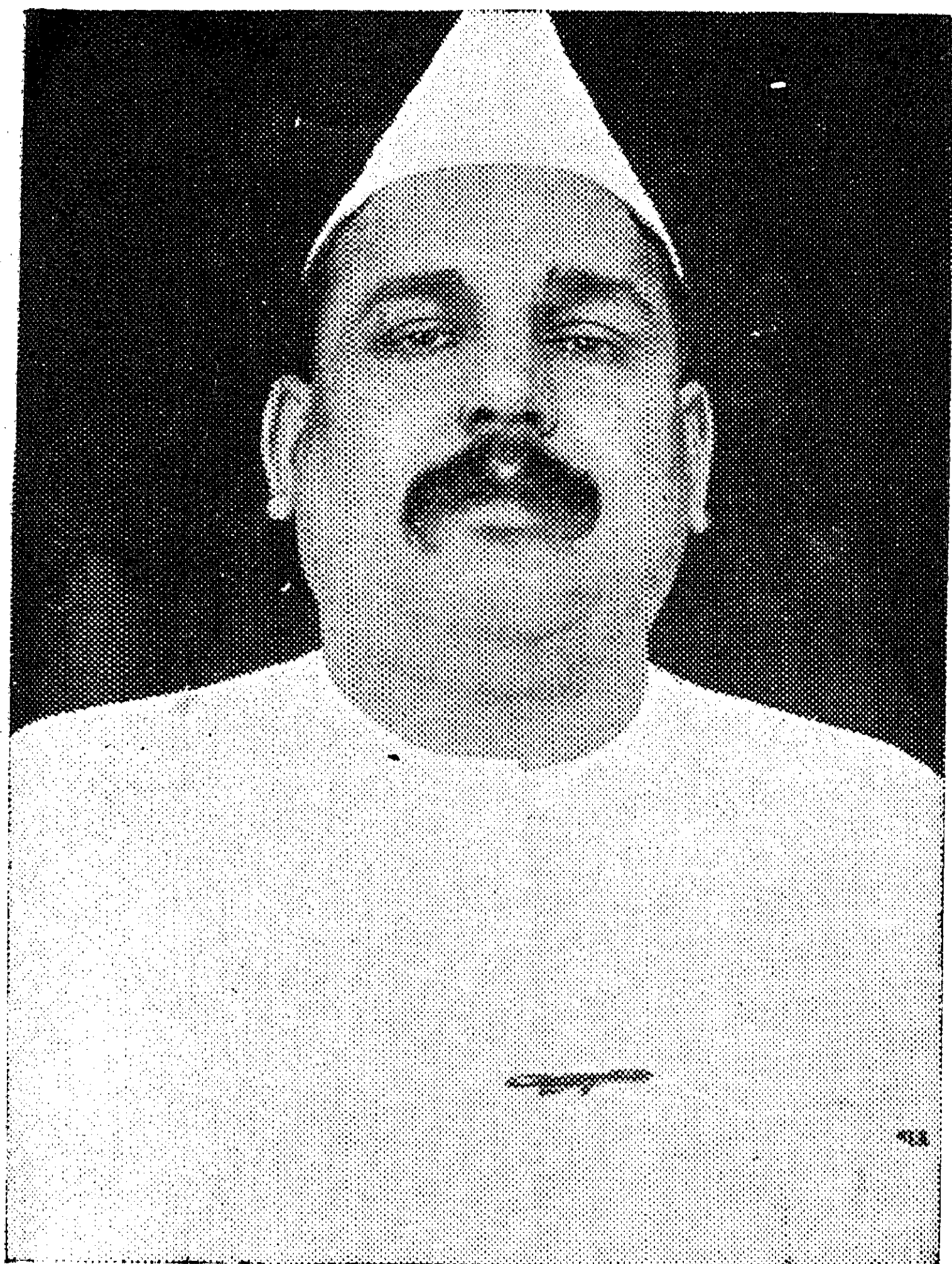
## EDUCATION.

The expansion of Basic Education has been of special attention to the Ministry. A scheme of converting the existing elementary training Schools into basic training schools is also under examination and when this materialises every subdivision will have one basic training centre which will ultimately become the nucleus of 50 to 200 basic schools and 5 to 20 post basic High schools. A scheme for the training of 80 basic training schools instructors and basic school administrative officers is in operation.

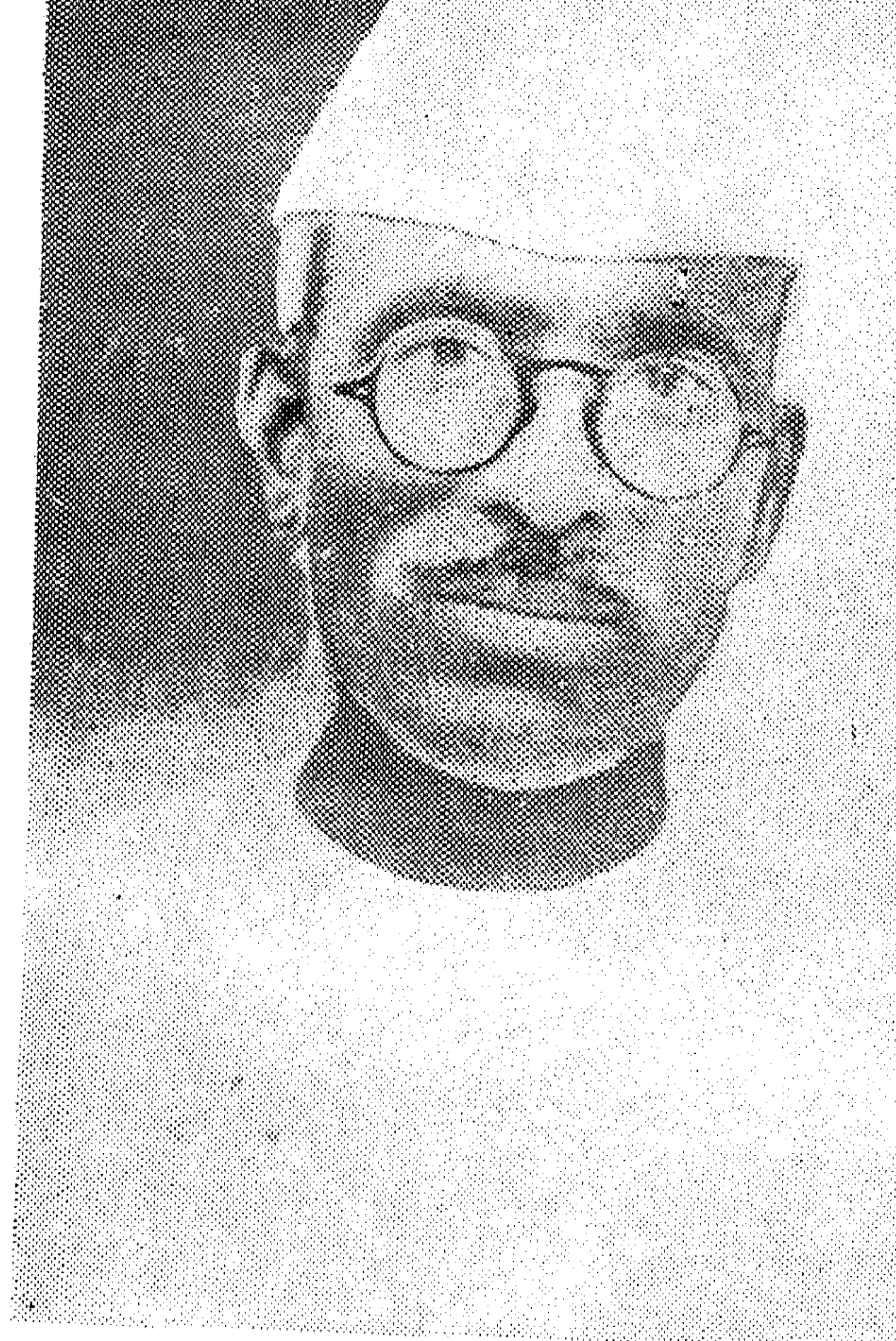
Free and compulsory education is in force in all the district headquarters and municipal towns. A variegated curriculum in the Middle English Schools, emphasizing the intellectual, practical and aesthetic aspects of life and aiming at developing the entire personality of the child has been introduced and it is proposed to extend the revised curriculum to the higher Secondary schools with a view ultimately to have High Schools of different types preparing students for direct entry into various professions and also qualifying those who so wish to take up higher studies at the University stage.

40 M. E. & 15 H. E. Schools for girls are being opened at the subdivisional and district headquarters. Particular emphasis is to be laid on the teaching of Biology and Domestic Science in its practical aspect to girl students. A large number



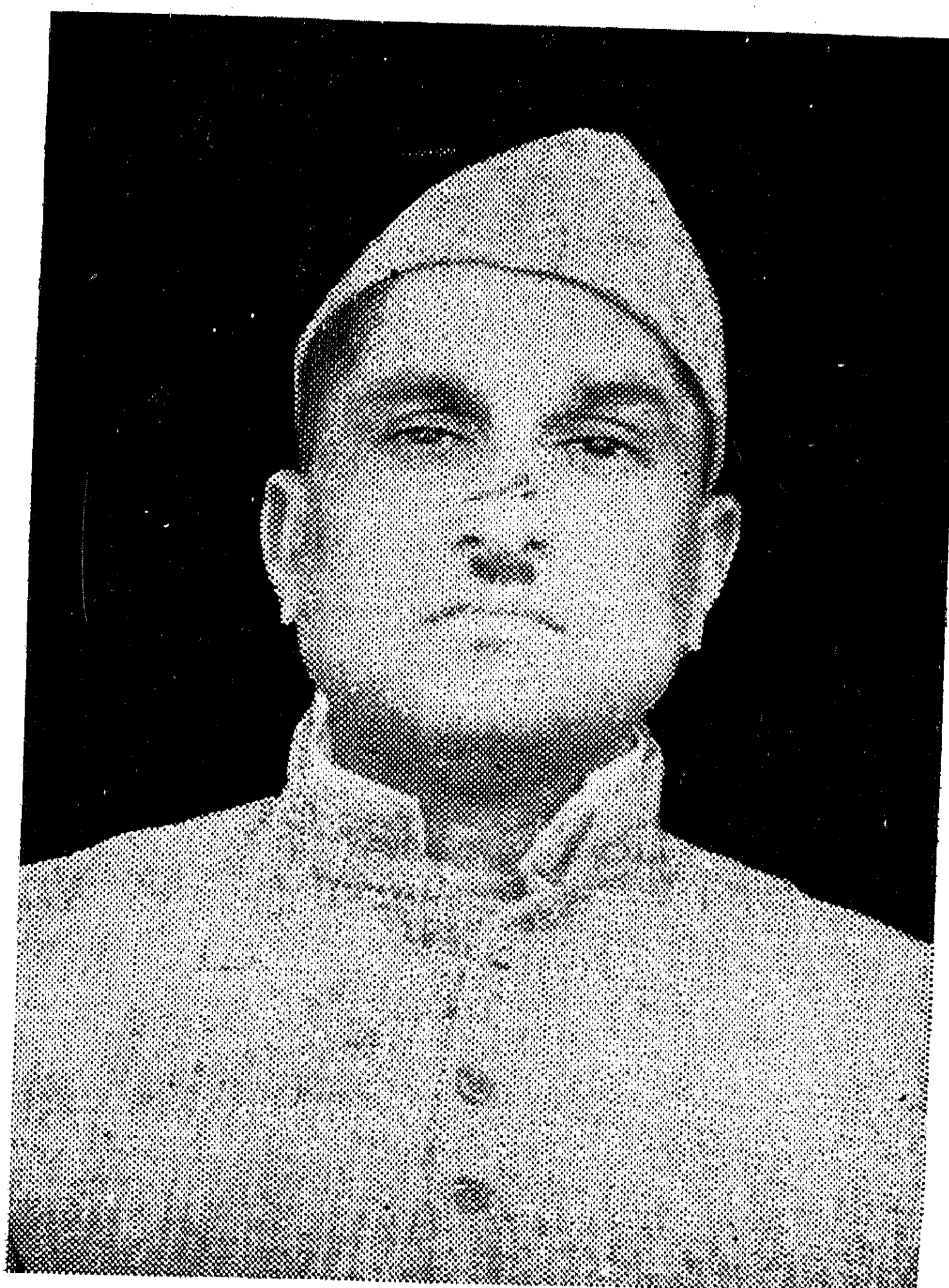


**Shri Binodanand Jha**



**Shri Jaglal Chaudhury**

**Shri K. B. Sahay**



**Shri A. Q. Ansari**

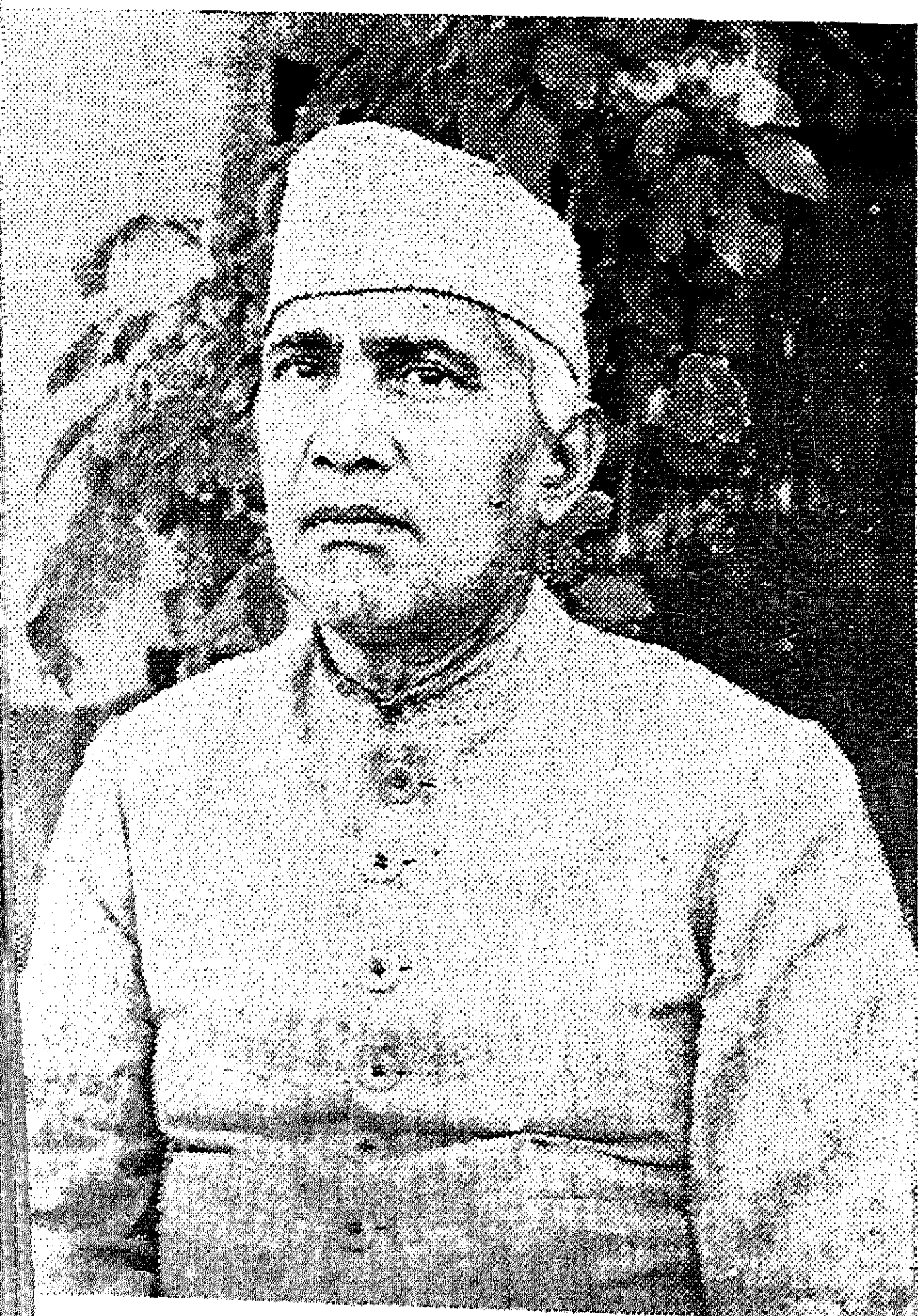




**Shri Ramcharitar Singh**

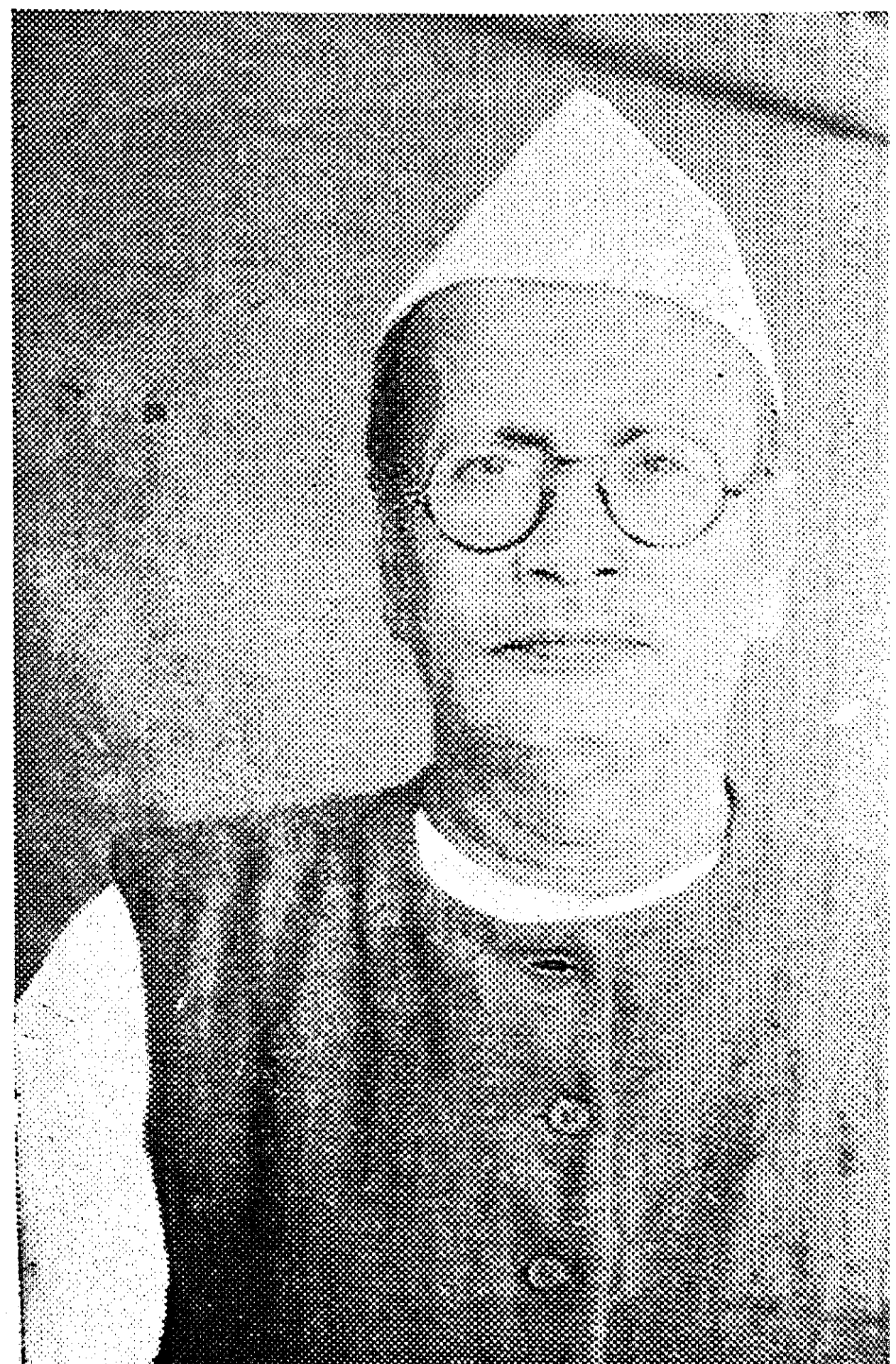


**Shri Badrinath Varma**



**Dr. Sayid Mahmud**

**Dr. Anugrah Narayan Sinha**





of additional scholarships have been created to encourage girl students to go in for education. Women candidates were sent abroad for higher study in education.

The scheme for the establishment of regional Universities in each of the four divisions of the Province is under examination. Hindusthani has been adopted in practice as the medium of instruction in colleges.

Permanent centres of adult education are being established in the Middle and High schools and well-established libraries in rural areas where all methods of imparting education are to be used, like newspaper reading, cinema and magic lantern shows, kathas, kirtans, lectures and craft instruction. Cheap and useful books for the masses are to be published. A weekly newspaper the "Roshni" is also published for the benefit of the adults.

Other items of expansion of education in the Province are as follows:—

- (i) Reorganisation of Sanskrit studies ;
- (ii) The taking of existing L. P., U. P. ; M. E. and H. E. Schools in Chota Nagpur and Santal Parganas under Government control and gradually raising the standard of the L. P., U. P. & M. E. Schools ;
- (iii) Opening of libraries throughout the province ;
- (iv) The opening of a Research Institute on the lines of the Bhandarkar Research Institute, Poona, for which the Government of India is being approached ; and
- (v) Introduction of craft teaching in schools.

## INDUSTRY

A five year plan has been drawn up and coordinated with a long-term 15 year plan. This plan was placed before the Provincial Development Board which decided that spunsilk and leather industries should be run as joint enterprises of the State and the public ; and lac, mica, superphosphate, formalin, iron and steel, Alumunium and Machine Tools industries should be

completely owned and managed by the State, while the rest of the industries in the list, except *spelter* should be left to private enterprise. In respect of paper industry it was suggested that the scope of a second factory in the province should be investigated. Government considered the questions as to how the State owned industries should be managed, what share should Government hold in the jointly-owned industries, how the selection of parties for allotment of industries to be left to private enterprise should be made and what conditions should be imposed on the latter class of industries and have arrived at the following decisions : —

- (i) The Management of State-owned industries should be vested in statutory and autonomous Boards of Directors each consisting of three members including the Chairman, all paid ;
- (ii) Except where it is found necessary to have a separate Board for a particular unit there should be a Board for each class of industry ;
- (iii) Labour should be associated with each Board by one of its representatives being appointed a member ;
- (iv) To co-ordinate and supervise the work and activities of these Boards there should be a coordinating Board consisting of the chairmen of all the separate Boards and a Financial Adviser as members and a whole time Chairman appointed by Government ;
- (v) Government should have a separate Cost Accounts Staff to check the costings of its industries and should get the accounts of each unit audited by a commercial Auditor ;
- (vi) Government should from now on start making arrangements for giving training, both managerial and technical to local men specially those who have some experience, so that by the time the factories functioning their services might be available, in the mean time the best men available, to

whichever place they might belong, should be employed;

- (vii) A Committee with powers to co-opt, has been appointed to examine the desirability and possibility of having a technological institute in the province to train the personnel of State industries. This Committee should report within two or three months.

It was difficult to fix general principles for deciding the proportion of shares to be held by Government in jointly-held enterprises, and each case would have to be decided on its merits. In the case of leather the purchase of 25 percent of shares by Government would be suitable. Schemes for the establishment of the following factories have already been prepared and work will be taken up shortly:—

Oil, Lac, Mica, Porcelain and Ceramics, Paper, Leather, power alcohol and food yeast.

## LABOUR

Since the Congress Ministry assumed office, they have made a serious attempt to raise the minimum wage and standard of life of industrial workers to the extent possible. With mutual agreement between employers and employees or as a result of the award of adjudicators, and in pursuance of the recommendations of the Boards of Conciliation and Arbitration, in some cases wages have been increased by as much as 50 to 70 per cent over the rates prevailing at the time when the Ministry came into office. Steps were taken to provide other amenities of life to workers in order to raise their standard of life. A special Officer has been appointed by the Government of Bihar to visit the factories, study the housing problem and present a report to Government on the subject. A Labour Advisory Board for the province was constituted to keep harmony and good relations between the employers and employees. The number of hospitals for workers have been increased and separate schools were established for the children of labourers.



## LOCAL SELF GOVERNMENT

The most outstanding development in Local-Self Government was the enactment of the Bihar Panchayat Raj Bill, 1947 which invests the Village Panchayats with larger powers and seeks to make every village a self-governing unit looking after its public health, education, general improvements, and deciding simple civil and criminal disputes.

## COMMUNICATIONS

At the instance of the Central Government the Bihar Government took up the construction of the Assam - Access Road, the object being to avoid the portion of the Ganges - Darjeeling Road falling within the territory of Eastern Pakistan. To facilitate communication within the Province, the construction of 28 landing grounds at different places was completed in addition to the air-strips that were built at Patna, Bhagalpur, Muzaffarpur and Purnea.

## HOME GUARDS.

To give opportunities to all to actively serve the country, the most important step taken by the Government of Bihar has been the organisation of the Home Guards. It aims at inculcating the spirit of discipline among the people, making them fully conscious of their duties and responsibilities as citizens of a free country and giving them the necessary training to enable them to discharge the duties that are generally assigned to the Police and the Army. The scheme is likely to cost about Rs. 44 lakhs non-recurring and Rs. 15 lakhs recurring a year. A training camp has already been started at Bihta. If the experiment succeeds Government intend taking steps to further increase and develop this organisation which has undoubtedly vast potentialities for good to the people.

## ANTI-CORRUPTION MEASURES

The Anti-Corruption Department of the Bihar Government was re-organised in 1947 and has been functioning along three different channels — prevention, detection and punishment. During its brief existence, it took up 703 cases for

investigation, as a result of which action was taken against several Government servants, including the Magistracy and the Police. This Department was in charge of the anti-smuggling work also for some time. Forces were posted on the U. P. borders of Shahabad and Champaran districts, which greatly helped in checking smuggling of rice from this province leading to appreciable improvement in procurement of foodgrains by Government.

## PROHIBITION

As a determined step towards Prohibition, Government introduced the distillery system in some places where *outstill* system was in force. As a result the total revenue from Excise fell appreciably. It was further decided by Government to introduce a sliding scale for the settlement of Excise shops instead of the present auction system in the districts south of the Ganges, and in pursuance of the policy of maximum revenue with minimum consumption, the duty on and retail price of country spirit and opium were raised by 25 and 100 per cent respectively.

## ABORIGINAL WELFARE

A separate department was created in August 1946 for helping the economic and cultural uplift of the aboriginals, scheduled caste people and backward Muslims. The scheme of welfare work, includes the establishment of schools and hostels, award of scholarships and construction of bandhs and tanks. To foster and develop aboriginal culture, five cultural boards were formed for work among the Oraons, Mundas, Hos, Kharias and Santhals. Recently Government sanctioned a grant of about 4 lakhs of rupees to the Adimjati Seva Mandal for the execution of the scheme prepared by Shri A. V. Thakkar. A Harijan Colony was started near Hazaribagh. Scholarships awarded to aboriginal boy and girl students amounted to the value of Rs. 1,29,576. The total provision made for welfare work during 1947-48 amounted to nearly Rs. 20 lakhs.

## RELIEF AND REHABILITATION

Relief and Rehabilitation of refugees affected by the communal riots of 1947 naturally claimed the most earnest

attention of the Government and it is gratifying to find that considerable success has been achieved in this direction. About 12,000 houses were damaged out of which about 6,000 have already been re-constructed and about 1,500 are under construction. The total amounts spent 1947 on house-building and rehabilitation and over food, cloth and medicine for the refugees were to the tune of Rs. 42 lakhs and Rs. 8 lakhs respectively. Besides, over Rs. 30,000 was paid to student sufferers for meeting their educational expenses and about Rs. 34,000 to widows and orphans to help them to rehabilitate themselves. The total amount spent by Government on this operation in 1947-48 was over Rs. 80 lakhs.

As regards refugees from Pakistan, according to official records, 24,530 of them have already come to this province against an agreed quota of 10,000 only. Most of them have been placed in four camps run directly by Government. A detailed scheme for their rehabilitation has been drawn up, which includes building of houses and shops, advances for resettlement in business or any other vocations, education, opening of widows and orphans Homes, etc. About 393 places in training establishment were secured for them and facilities were offered by the Patna University in Colleges and in examinations. The Schemes for their rehabilitation, when completed would cost Government about a crore of rupees.

### THE BIHAR CABINET

Dr. Sri Krishna Sinha, Premier

Dr. Anugrah Narayan Sinha,

Dr. Sayid Mahmud,

Shri Jaglal Chaudhury,

Shri Ramcharitar Singh,

Shri Badrinath Verma,

Shri Krishna Ballabh Sahay,

Shri Binodanand Jha,

Shri Abdul Qaiyum Ansari,

HOME

FINANCE, LABOUR AND SUPPLY

DEVELOPMENT and TRANSPORT

PUBLIC HEALTH

IRRIGATION, ELECTRIFICATION

EDUCATION and INFORMATION

REVENUE, FOREST AND EXCISE

LOCAL SELF-GOVERNMENT AND

MEDICAL

PUBLIC WORKS AND COTTAGE

INDUSTRIES



# APPENDIX

## THE BIHAR BUDGET

The figures for Revenue and Expenditure of the Bihar Government reveal persistent surpluses of as high an order as Rs. 311.67 lakhs in 1945-46; Rs. 187.58 lakhs in 1946-47; Rs. 103.51 lakhs in R. E. for 1947-48 and Rs. 147.89 lakhs in B. E. for 1948-49. While the expenditure in the later two estimates has only increased from Rs. 1,689.83 lakhs to Rs. 2,008.89 lakhs, the Revenue increased from Rs. 1,793.39 lakhs to Rs. 2,156.78 lakhs. But this should not lead to any over-estimation of the financial position of the Province. To be more realistic, we have only to see its per capita public revenue and expenditure which are the lowest when compared to other provinces. The Revenue per mile in Bihar is only 4,606 against 6,773 in Orissa and 18,530 in Bombay; while the per mile expenditure is 4,537, 7,996 and 18,501 respectively for these very provinces. This vividly reveals the true 87th of Bihar's finances and low level of administrative expenditure.

Not only this, the Government had to face huge problem of maintaining law and order which has led to jump in expenditure on Police from Rs. 79.59 lakhs in 1938-39 to Rs. 240.42 lakhs for the Budget year including Rs. 40 lakhs to be spent on Home Guards for the same purpose. Relief and Rehabilitation of Bihar Refugees means another serious drain. A scheme estimated to cost Rs. 260 lakhs has been drawn up out of which Rs. 15.5 lakhs was spent during 1946-47; Rs. 56 lakhs in the R. E. for 1947-48 and a provision of Rs. 25 lakhs has been made in the B. E. for 1948-49. Another provision of Rs. 90 lakhs for Pakistan Refugees is expected to be recovered from the Central Government.

But in spite of all this, there has been a steady increase in expenditure on beneficent departments. Showing the figures for R. E. for 1947-48 in brackets, the B. E. for 1948-49 provides for an expenditure in lakhs of 97.94 ( 77.55 ) on Agriculture; 10.03 ( 9.40 ) on Veterinary; 31.28 ( 18.00 ) on Cooperation; 96.86 ( 56.85 ) on Medical; 148.21 ( 108.21 ) on Public Health; 31.73 ( 35.44 ) on Industries; 120.12 ( 125.01 ) on Education and 259.43 ( 200.37 ) on Civil Works charged to Revenue.

Post-War Development Schemes are estimated to cost Rs. 70 crores. About Rs. 31 to 41 crores are expected from the Centre while the remaining has to be met from provincial resources. A Revenue Fund for the purpose has been constituted to which annual surpluses are transferred. The amounts of Rs. 2 crores, Rs. 2 crores and Rs. 3.22 crores respectively were credited to this during 1946-47, 1947-48 ( R. E. ) and 1948-49 ( B. E. ). At the end of 1948-49 the Fund will stand at Rs. 12.5 crores.

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### THE BIHAR CABINET

Dr. Sri Krishna Sinha, Premier  
 Dr. Anugrah Narayan Sinha,  
 Dr. Sayid Mahmud,  
 Shri Jaglal Chaudhury,  
 Shri Ramcharitar Singh,  
 Shri Badrinath Verma,  
 Shri Krishna Ballabh Sahay,  
 Shri Binodanand Jha,

Shri Abdul Qaiyum Ansari,

HOME  
 FINANCE, LABOUR AND SUPPLY  
 DEVELOPMENT and TRANSPORT  
 PUBLIC HEALTH  
 IRRIGATION, ELECTRIFICATION  
 EDUCATION and INFORMATION  
 REVENUE, FOREST AND EXCISE  
 LOCAL SELF-GOVERNMENT AND  
 MEDICAL  
 PUBLIC WORKS AND COTTAGE  
 INDUSTRIES

## APPENDIX

### THE BIHAR BUDGET

The figures for Revenue and Expenditure of the Bihar Government reveal persistent surpluses of as high an order as Rs. 311.67 lakhs in 1945-46 Rs. 187.58 lakhs in 1946-47; Rs. 103.51 lakhs in R. E. for 1947-48 and Rs. 147.89 lakhs in B. E. for 1948-49. While the expenditure in the later two estimates has only increased from Rs. 1,689.88 lakhs to Rs. 2,008.89 lakhs, the Revenue increased from Rs. 1,793.39 lakhs to Rs. 2,156.78 lakhs. But this should not lead to any over-estimation of the financial position of the Province. To be more realistic, we have only to see its per capita public revenue and expenditure which are the lowest when compared to other provinces. The Revenue per mile in Bihar is only 4,606 against 6,773 in Orissa and 18,530 in Bombay; while the per mile expenditure is 4,537, 7,996 and 18,501 respectively for these very provinces. This vividly reveals the true 87th of Bihar's finances and low level of administrative expenditure.

Not only this, the Government had to face huge problem of maintaining law and order which has led to jump in expenditure on Police from Rs. 79.59 lakhs in 1938-39 to Rs. 240.42 lakhs for the Budget year excluding Rs. 40 lakhs to be spent on Home Guards for the same purpose. Relief and Rehabilitation of Bihar Refugees means another serious drain. A scheme estimated to cost Rs. 260 lakhs has been drawn up out of which Rs. 15.5 lakhs was spent during 1946-47; Rs. 56 lakhs in the R. E. for 1947-48 and a provision of Rs. 25 lakhs has been made in the B. E. for 1948-49. Another provision of Rs. 90 lakhs for Pakistan Refugees is expected to be recovered from the Central Government.

But in spite of all this, there has been a steady increase in expenditure on beneficent departments. Showing the figures for R. E. for 1947-48 in brackets, the B. E. for 1948-49 provides for an expenditure in lakhs of rupees of 97.94 (77.55) on Agriculture; 10.03 (9.40) on Veterinary; 31.28 (18.06) on Cooperation; 96.86 (56.85) on Medical; 148.21 (108.21) on Public Health; 31.73 (35.44) on Industries; 120.12 (125.01) on Education and 259.43 (200.37) on Civil Works charged to Revenue.

Post-War Development Schemes are estimated to cost Rs. 70 crores. About Rs. 31 to 41 crores are expected from the Centre while the remaining has to be met from provincial resources. A Revenue Fund for the purpose has been constituted to which annual surpluses are transferred. The amounts of Rs. 2 crores, Rs. 2 crores and Rs. 3.22 crores respectively were credited to this during 1946-47, 1947-48 (R. E.) and 1948-49 (B. E.). At the end of 1948-49 the Fund will stand at Rs. 12.5 crores.





# *A Message from the Hon'ble Premier, Bombay:*



The past two years have been full of extraordinary experiences — bitter and sweet. The joy and exaltation of Freedom was marred by the outbreak of lawlessness which threatened to engulf that Freedom. But for the epic lead given by Gandhiji through his teaching and example, one shudders to think of all that might have happened.

Even so, things in Bombay have been on the whole better and more peaceful than in Northern India. As I try to strike the balance of our total achievements during these two years in the service of the people, I see that our one aim has been to improve the lot of the common man, the poor farmer and the worker ; to make his life fuller and happier and to develop his potentialities for his own good as well as that of the community. I feel that we have made considerable headway in the achievement of this aim inspite of our hardships and handicaps. I am sure that our people will not be misled by the stuff which some of our newspapers in the big cities circulate among their misguided readers. They do not seem to be aware of the existence of the poor farmer or worker or the common man in our villages and in factories — let alone worry about his happiness. There are also ambitious people who put their self-interest above the good of the masses, but speak in their name. Nevertheless the bulk of the people, though illiterate, understand the good work that is being done in their interest by the Government, and appreciate it.

Under a democratic and popular regime Government and people are not two separate entities but an organic whole and such a Government not only depends for its existence on popular support but its work and efficiency

are also directly related to the measure of public cooperation that is forthcoming. In evaluating the achievements of the Government and people of my Province, my colleagues and I feel encouraged and derive inspiration from the thought that with hard work, confidence in our capacity and enlightened public cooperation, we can succeed in our aim within a few years.

*B. G. Kher.*

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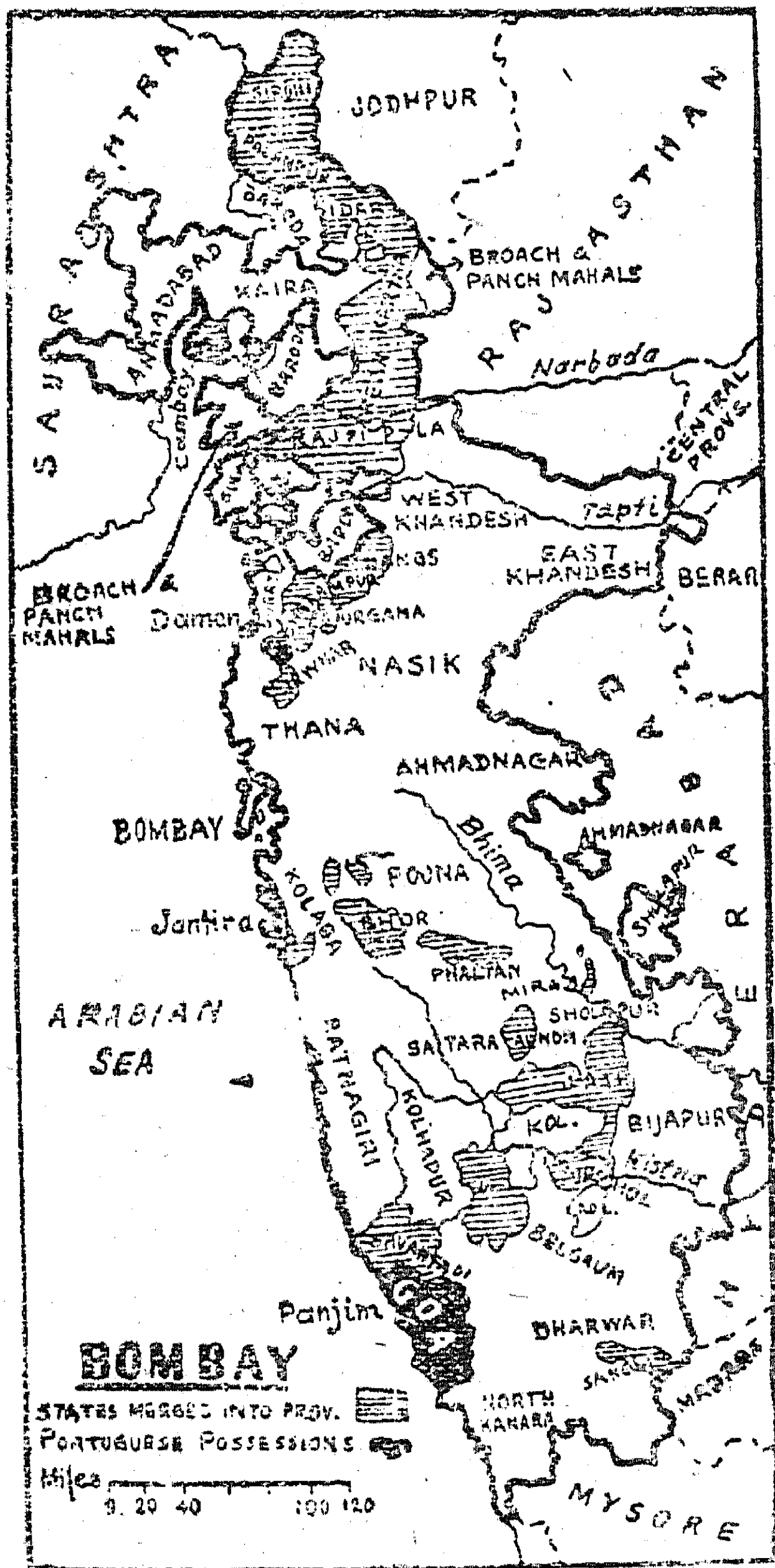


# BOMBAY

## INTRODUCTION

THE Province of Bombay stretches along the western Coast of India covering an area of 76,443 sq. miles and a population of about 21 millions. Bombay is the chief port and the principal trade and industrial centre of India.

A Governor's Province, Bombay has a bicameral legislature. The Upper House, the Legislative Council has not more than 29 seats and not less than 28 seats and Lower House, the Legislative Assembly 172 seats. The Congress Party, being in a majority, has formed the Cabinet.



The 1948-49 budget estimates of Bombay Province show a revenue of Rs. 41.33 crores, expenditure of Rs. 4,402 crores and deficit of Rs. 2.69 crores. The deficit would be met by raising Rs. 1 crore through taxation and drawing Rs. 1.69 crores from the Post-War Reconstruction Fund which amounts to Rs. 19 crores.

## FOOD.

Food is the basis need of life. While men does not live by bread alone, he does live on bread and the duty of a civilized government is to ensure that people have, at their

disposal, the basic minimum of food necessary for the maintenance of life and health. The government of Bombay found themselves faced with the food crisis when they assumed charge. Immediate steps were taken to avert the possibility of famine by intensifying such measures as mobilizing all local resources, obtaining imports from outside, controlling distribution of food and enforcing austerity in meals. But these are only emergency measures and cannot provide a long range solution of the food problem in a deficit province. The right approach is the improvement and extension of agricultural facilities and the provision of conditions, which will make it possible for land to yield its maximum output so that the province may become as nearly self-supporting as possible. For this it was necessary to improve the physical and mental condition of the cultivator. He must feel interested in his job and be trained to do it skilfully. The tenancy laws, the Agricultural Debtors Relief Act, the Money-lenders Act, the Debt Adjustment Act etc., of the Bombay Government, are all measures calculated to improve the physical and mental conditions of the cultivators and will in course of time enable the cultivator to become a self-respecting citizen.

The Bombay Government aim at increasing production. In order to achieve this object they have under-taken measures for increasing irrigation facilities which include assistance in the sinking, deepening and repair of wells ( for which about one crore and a half has been provided in the budget ) and the investigation and execution of new schemes of irrigation including lift irrigation from river beds ( for which over 60 lakhs have been provided ). They have also initiated certain major irrigation projects on which it is proposed to spend about  $6\frac{1}{2}$  crores during the next five years. In this way, the government hope that, within a few years, they will be able to plan production more confidently and not depend helplessly on the vagaries of the monsoon.

The government have also taken steps to encourage *machanical* cultivation where deep ploughing is necessary. The

agriculturists have been given assistance to purchase iron and steel implements at controlled rates and it is surprising that their sale within 9 months of 1947 amounted to over Rs. 25 lakhs. Similarly tractors, hand-boring and power-boring machines were lent or hired to them at concession rates. In order to improve the technique of cultivation and to initiate them into newer methods and ideas a demonstration centre has been established in practically every taluka for their guidance. It is proposed to train 1,200 village guides every year at 12 centres to teach villagers improved scientific methods. In addition to such practical guidance, facilities for systematic and advanced agricultural training have also been expanded by opening two Agricultural Colleges at Anand and Dharwar and by increasing the accommodation in the Poona College of Agriculture. Government are also concentrating on the problem of land improvement and soil conservation and since this is a technical problem, they have obtained in this matter the advice of an expert committee.

To secure the welfare of the peasantry and guarding their interest, legislation has been introduced to protect borrowers from unscrupulous moneylenders and the cultivators from landlords who may try to exploit them. The Debt Relief Legislation has removed the fear of harrasment by the Sahukar and arrangement of loans in the form of 'takavi' in a progressively larger scale in all districts is leading to better financial facilities for the agriculturists. The establishment of rural co-operatives in the field of agriculture as well as industries is also inspired by the same purpose and government are determined to encourage their development so that they may have a beneficial reaction on life in the country-side.

## INDUSTRIAL DEVELOPMENT & LABOUR PROBLEMS

The next great socio-economic problem that the Bombay government have to deal with is Industrial Development with which are associated the vital questions pertaining to industrial relations and worker's welfare. A province like Bombay which has had to depend in the past largely on its industries and is



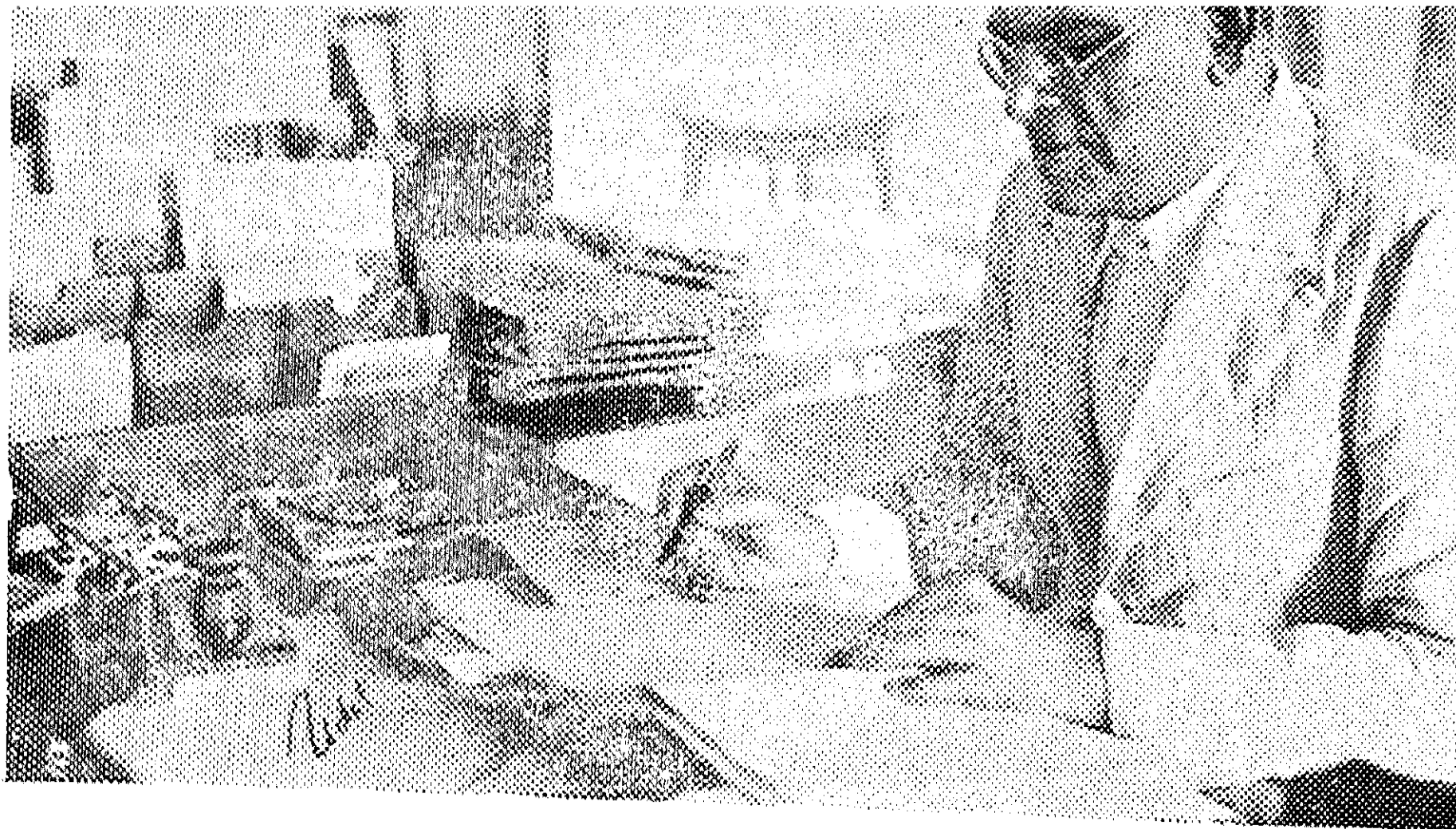
now trying to establish a balanced economy in which Agriculture and Industry are both given their due place cannot afford to ignore the development of its industries. The Department of Industries has been giving technical help and advice as well as loans and subsidies to large scale and small scale industries and has helped them, as far as possible, to obtain essential raw materials and machinery.

No industrial development can, however, proceed smoothly and satisfactorily — particularly in this age when the workers are becoming increasingly conscious of their rights and their place in society — unless harmony of relationship is established between workers and their employers and the latter learn to treat their employees as partners in the national service of producing essential goods for the needs of the people. If frequent strikes and lockouts and tension between Capital and Labour continue, production will suffer serious loss and the dream of improving the standard of living of the masses will, never be realised. The government of Bombay have, therefore established special law courts in order to provide for quick and impartial settlement of all labour disputes. A Labour Advisory Board has been appointed by the government of Bombay to probe the deeper causes of industrial unrest and discontent and a special Directorate of Labour Welfare is responsible for providing facilities for the leisure time activities, hobbies and amusement of the working class. A number of welfare centres have been established in Bombay, Ahmedabad and six other large industrial centres for this purpose. In addition to providing recreational facilities like cinema, sports, dramas, music and gymnastics — arrangements are also made for the training and instruction of adults and children through literacy classes, libraries, sewing classes, etc. The Bombay government is determined to do all it can to improve the conditions of life for Labour and to ensure for it a fair deal in the industrial field.

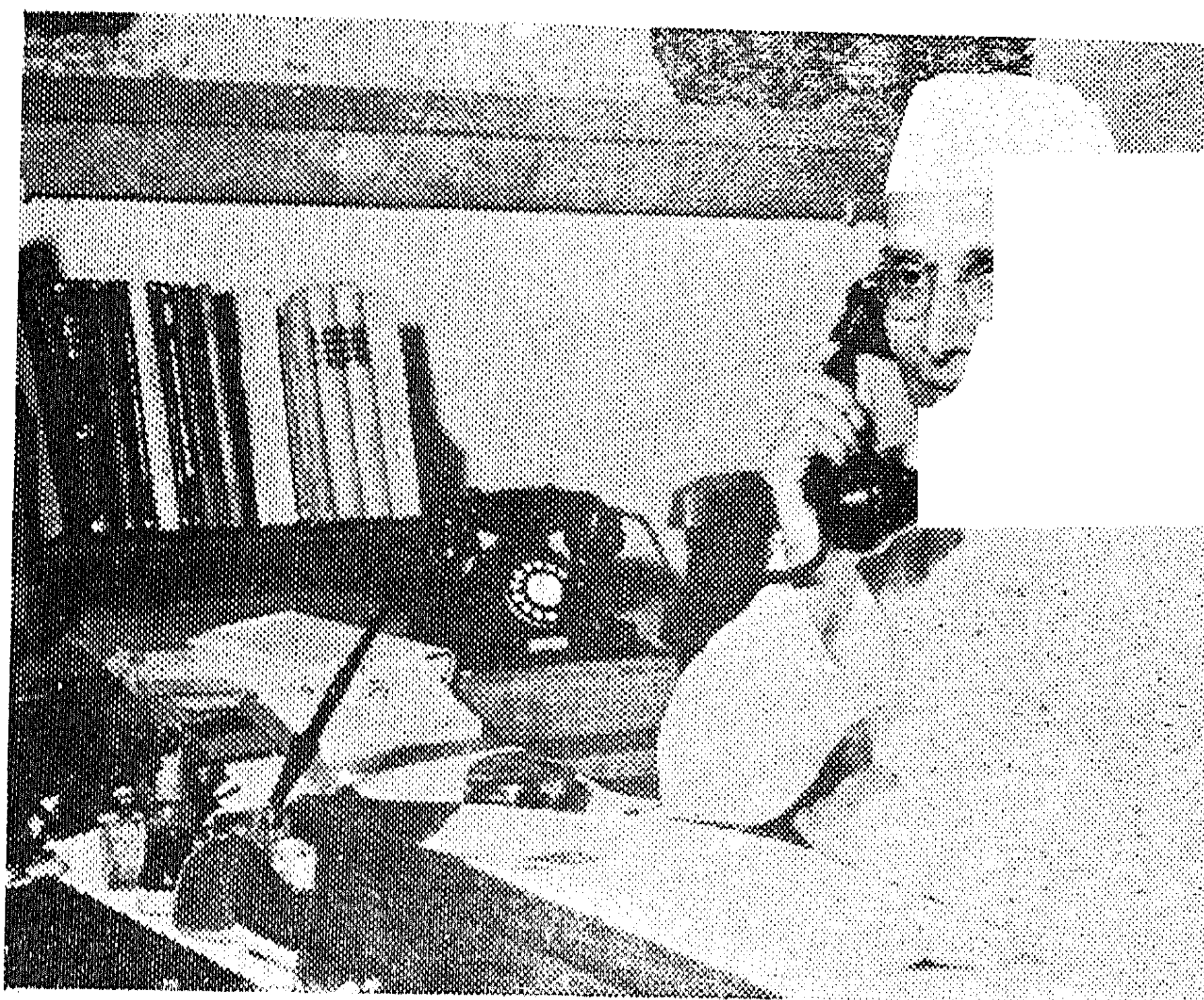
#### SERVICES.

proper nutrition which has been greatly and since the war, inadequate provision of

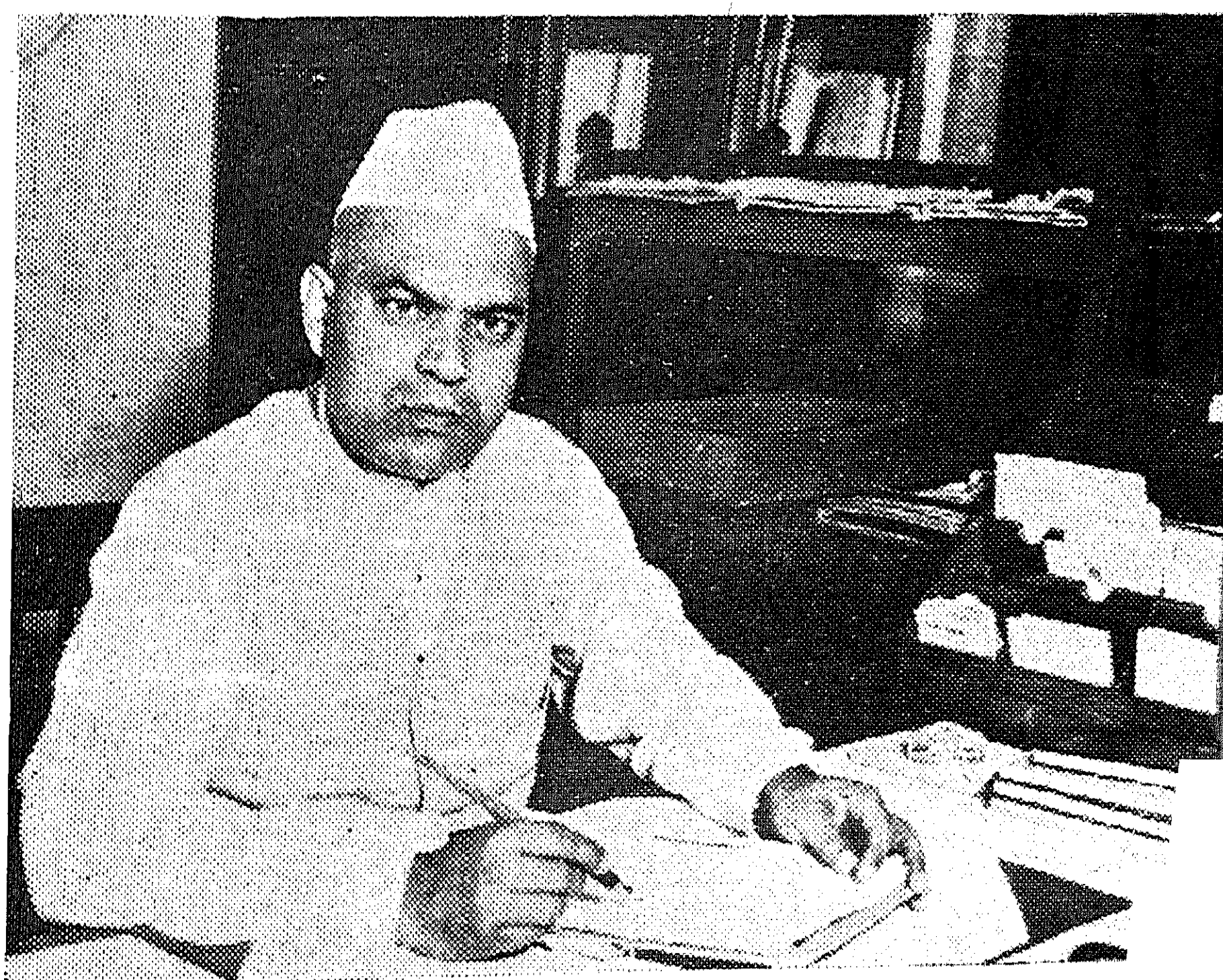




**Shri G. D. Vartak**

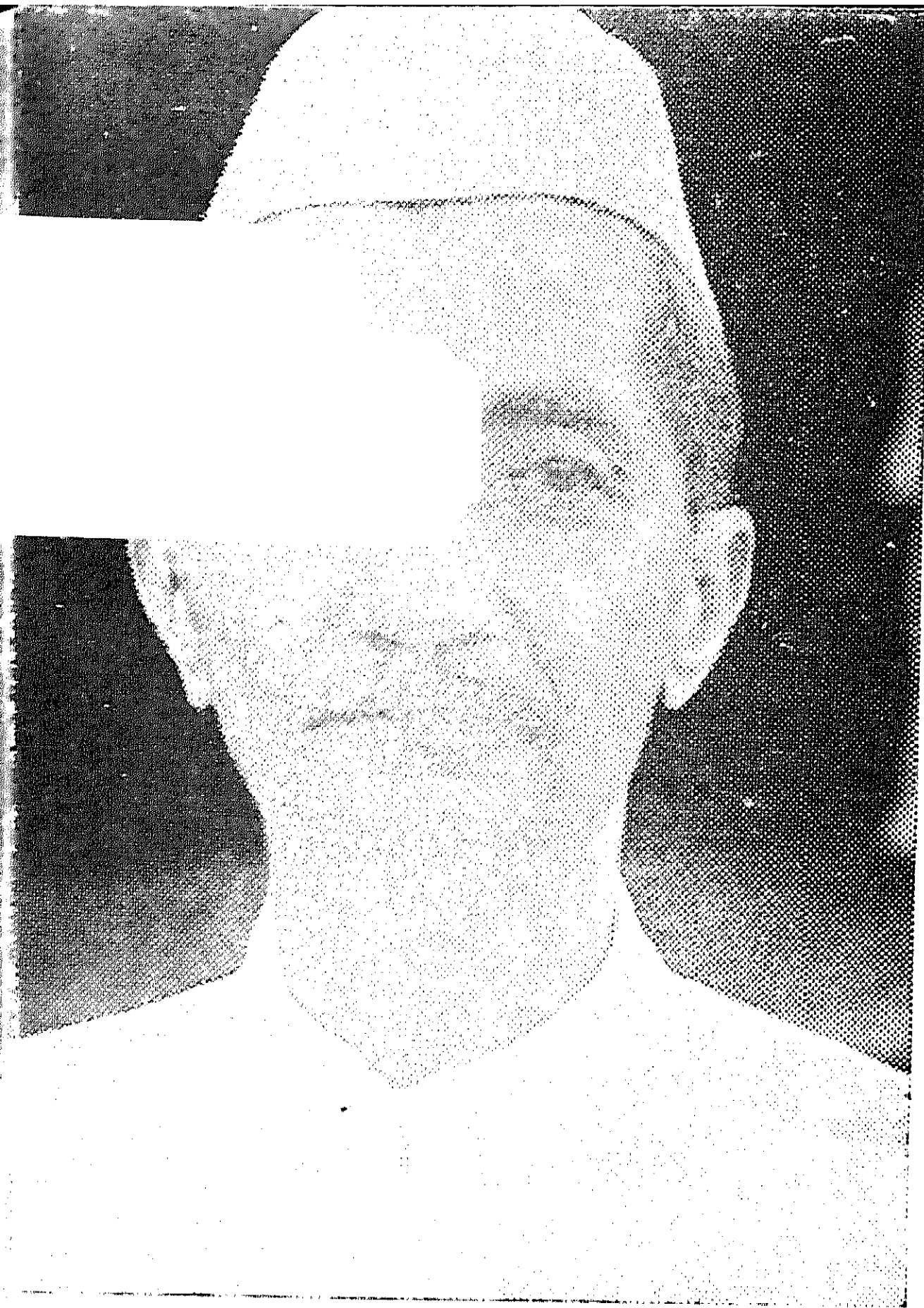


**Shri Morarji Desai**



**Shri M. P. Patil**

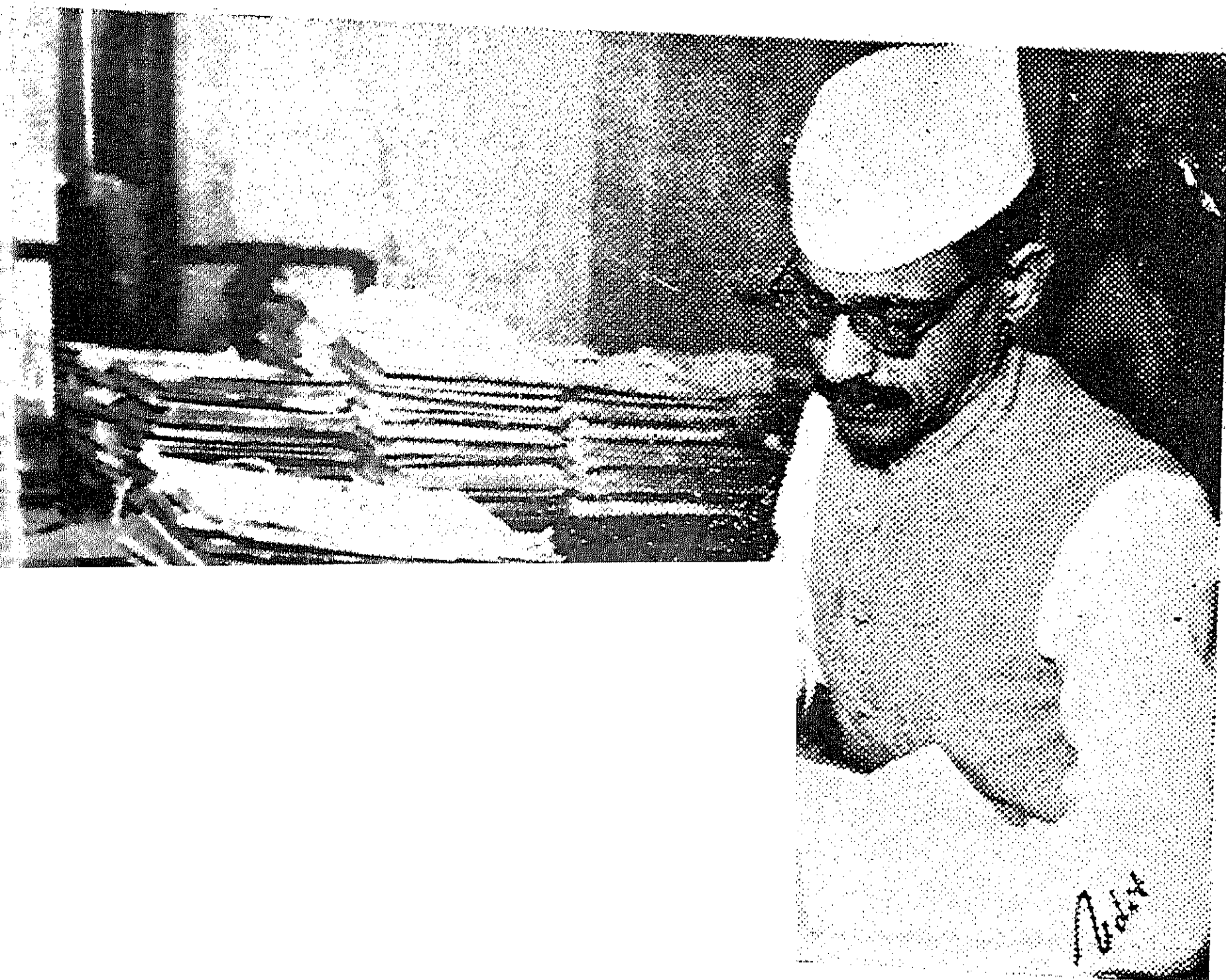




Shri V. L. Mehta



Dr. M. D. D. Gilder



anda



medical facilities including personnel, unenlightened social practices and lack of sanitation and hygiene. These are the chief obstacles in the way of the people's health. The correct approach to the problem of health is the preventive one creating a set of conditions which will resist the onset of disease and the breakdown of health. To meet this problem the Bombay government have established a Board of Physical Education which is responsible for supervising and organising physical and health activities not only in schools but also outside and a college of Physical Education which trains teachers fully qualified to impart and encourage physical education in schools. A Department of Parks and Gardens has already been created ; the question of Libraries and Museums has been tackled ; Government intend providing soon facilities for sea-bathing, boating and swimming for the general public. The government have also included, in their Post-War Plans of development, a fairly ambitious scheme for establishing national parks in different parts of the Province so that relaxation in the open air may become the privilege of all instead of being the exclusive monopoly of the well-to-do only.

So much for preventive measures. On the curative side, Government have considerably increased the scope of medical facilities in the district hospitals and, in order to make better facilities available for the villages, mobile health and hospital units, cottage hospitals, units for medical propaganda anti-epidemic squads and malaria control agencies have been established. Moreover, government have subsidised medical practitioners in the villages so that medical treatment may be within easy reach of the rural population. In order to overcome the paucity of qualified medical practitioners and nurses, the medical schools at Poona and Ahmedabad have been converted into college and several new nursing colleges and medical training centres have been opened. The Haffkine Institute has expanded the scope of its activities both in the direction of research and manufacture of sera and vaccines so necessary for the control of epidemics all over the country. The Bombay Government have also drawn up a number of five year schemes

of post-war development which aim at a considerable expansion of medical services and training facilities and the establishment of hospitals and therapeutic centres for T. B. and leprosy patients.

## EDUCATION.

Without a sound system of mass education, including the education of adults as well as children, democracy cannot be functioned properly. So government have been devoting increasing attention and funds to the organisation, expansion and improvement of education.. The Education budget of 1948, in Bombay, amounts to the record figure of nearly 8 crores and government propose to spend about 15 crores on their post-war educational development plan during the next five years. Amongst the highlights of the government's educational activities are :—

(1) The passage of the Primary Education Act under which, during the next 5 years, free and compulsory education for the age-group 6-11 will be provided in all cities and villages with a population of over 1,000 persons, Private schools will be financially assisted in all villages with a smaller population.

(2) The introduction of craft work in all schools so that education will be retrieved from its bookish character and related more closely to the needs of the child's psychology and his environment.

(3) The provision of greatly increased facilities for teachers' training which includes the opening of seven new Training Colleges for men, six new Training Colleges for women, and three Post-graduate Basic Training Colleges to train instructors for Primary Training Colleges.

(4) The expansion of Basic Education on a wide scale through the conversion of existing Training Colleges into Basic Training Centres and training about 2,000 basic teachers every year who will be utilised for starting basic schools.

(5) Improvement of the status, salary and efficiency of teachers without whose willing and effective cooperation no educational reforms can be put through. Government regard this as a most essential pre-requisite for the success of their schemes and they have consequently carried through a measure of revision of pay scales which compare favourably with those in other provinces. By a government Resolution and other departmental instructions they have made an attempt to ensure that teachers will have the respect and social prestige due to them. They have further adopted a number of measures — and are considering many others — to improve their efficiency, such as regular refresher courses, organisation of Teacher's Homes, holding of conferences, establishment of Teacher's libraries etc. Government are determined to do all they can to make the teaching profession attractive for those who have a spirit of genuine idealism and a desire for social service.

(6) Government have been engaged for a number of years in carrying on the work of adult education. In order to secure more effective public cooperation and the help of local effort they have established three regional committees, consisting mostly of influential non-officials to organise and supervise adult education activities in the three main linguistic regions. Adult education is envisaged not in the narrow sense of literacy which is only a preliminary tool but in the wider sense of "Social education" which includes training in citizenship and useful everyday knowledge as well as the provision of activities and amusements which enrich life. The newly strengthened Department of Visual Education is also being geared to the needs of mass education so that this work may be speeded up as much as possible. A film Library is being built up and new projectors have been purchased for distribution in schools which will become local centres of visual education. Another feature of the Adult education movement is the establishment of libraries all over the Province on a concentric basis so that, within the next few years there would be libraries of varying sizes in different cities, talukas and petas, all linked



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up with one another through the Library Advisory Committees. A central Library at Bombay, three Regional Libraries at Poona, Ahmedabad and Dharwar and most of the District Libraries have been already established, and the next stage which comprises the talukas and the petas will be taken in hand shortly. In order to push through these schemes systematically and speedily a special department has been created, under a Curator of Libraries, which is charged with this responsibility.

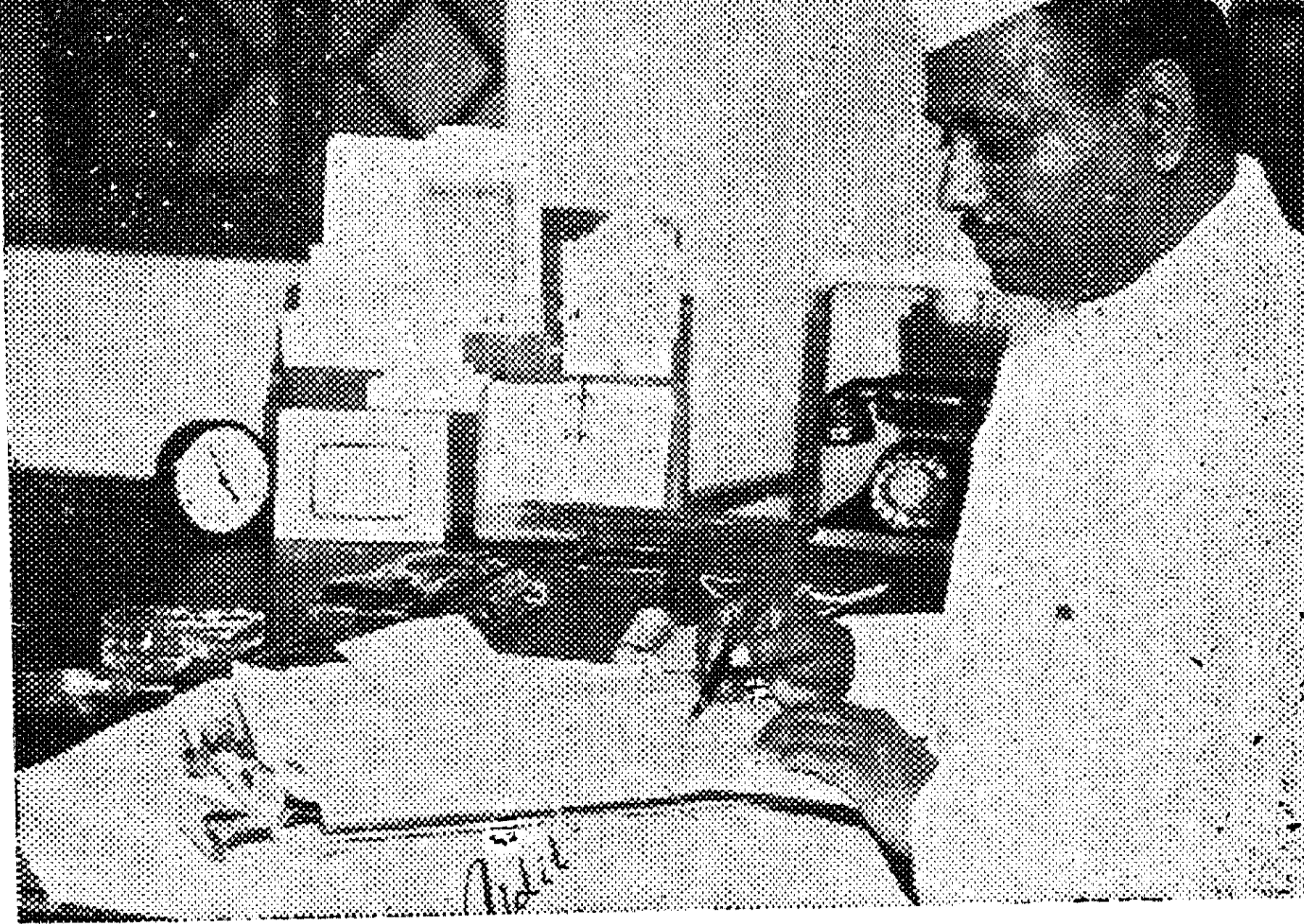
( 7 ) In addition to mass education the Bombay Government have been busy reorganising higher education also so as to adjust it to newer trends of thought and the changing socio-economic situation. Government have already accepted the scheme for the establishment of three Regional Universities of which the Poona University Act has been passed already and committees are at work to draw up plans for the Gujarat and Karnatak Universities. The objective is not the multiplication of Universities but to make them contribute something to the enrichment of the life of the people, through knowledge, research and training.

( 8 ) An Education Section has been organised under the Educational Adviser to improve the quality of education and to provide expert guidance and help for teachers and other workers in the various fields of education.

## MAINTENANCE OF LAW & ORDER.

The first necessity in any organised society is security. Without this life becomes impossible. Bombay unfortunately had a taste of this kind of insecurity due to the embitterment of communal feelings at the very beginning of its assumption of office. Very nearly for a year parts of the city of Bombay were considered not only unsafe but inaccessible to members of one or the other community and all its energies had, therefore, to be devoted to the restoration of a psychological atmosphere which would make it possible for the people to breathe freely and feel that the interests of every community were being and vigorously protected by the government.

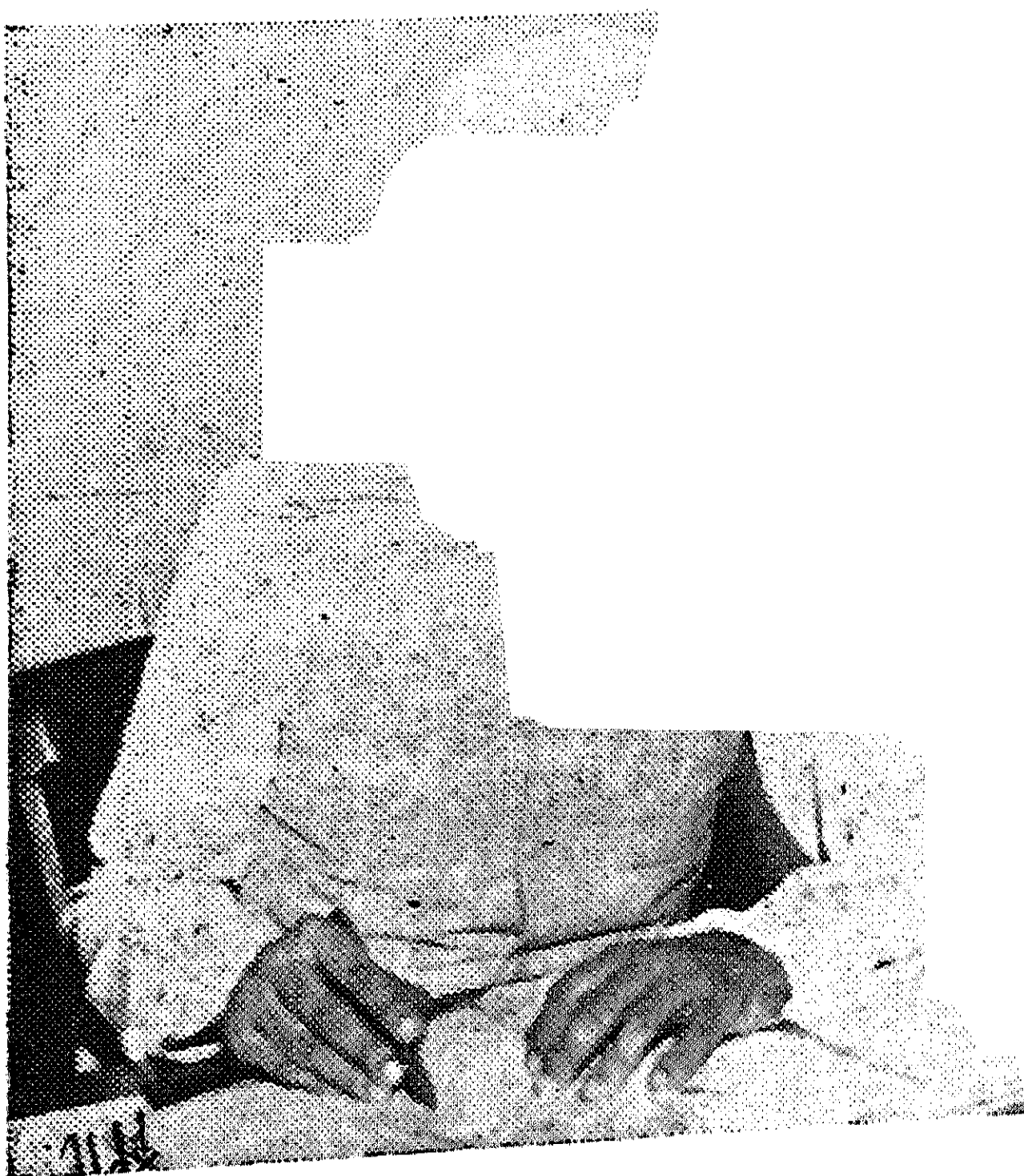




**Shri G. D. Tapase**



**Shri L. M. Patil**



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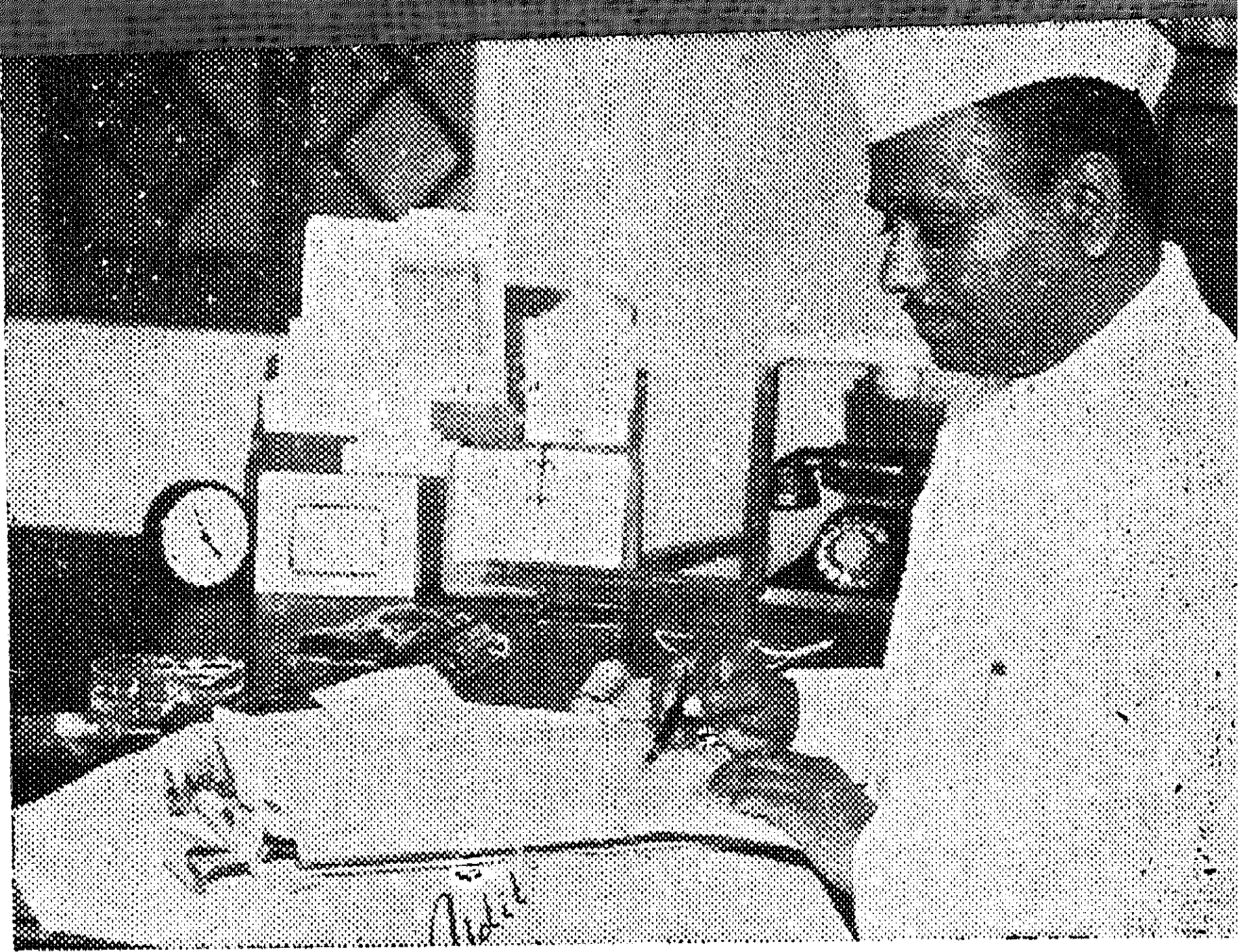
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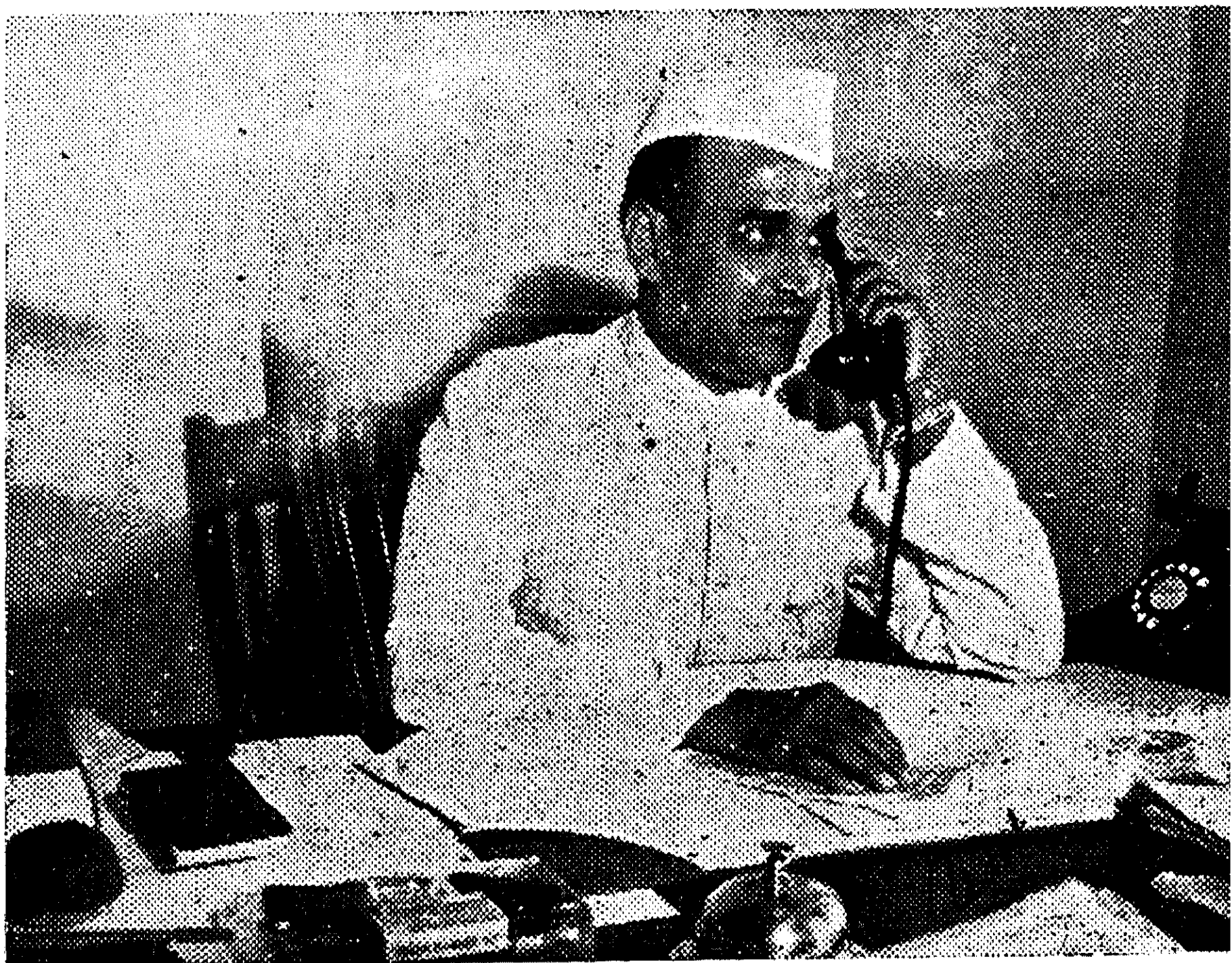
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**Shri G. D. Tapase**



**Shri L. M. Patil**



**Shri Dinkar Rao Desai**





Because the men at the helm of affairs were actuated by a desire to do justice between man and man without fear or favour, today members of all communities, in Bombay, with very rare exceptions here and there, live, move and have their being freely without fear of molestation or aggression. They feel confident that any acts of aggression due either to religious bigotry, provincial jealousy or economic superiority by one section against another will be firmly put down and punished.

## THE BOMBAY CABINET

Sri B. G. Kher, Premier

Sri Morarji Desai

Dr. M. D. D. Gilder

Sri Dinkarrao N. Desai

Sri V. L. Mehta

Sri L. M. Patil

Sri Gulzarilal Nanda

Sri M. P. Patil

Sri G. D. Vartak

Sri G. D. Tapase

EDUCATION.

HOME & REVENUE.

HEALTH & PUBLIC WORKS.

LAW & CIVIL SUPPLIES.

FINANCE, COOPERATION AND  
VILLAGE INDUSTRIES.

EXCISE & RECONSTRUCTION.

LABOUR & HOUSING.

FOREST & AGRICULTURE.

LOCAL SELF GOVERNMENT.

INDUSTRIES, FISHERIES AND  
BACKWARD CLASS DEPTT.

## APPENDIX

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### THE BOMBAY BUDGET.

The Annual financial statement of the province shows that the provincial government's huge programmes of development are being carried with speed and vigour. The surplus of the order of Rs. 375.99 lakhs in 1946-47 is estimated to come down to a low figure of Rs. 56.27 in R. E. for 1947-48 and will actually turn into a deficit of Rs. 263.58 lakhs in the budget year, 1948-49. The revenue having decreased from Rs. 4,349.45 lakhs in R. E. for 1947-48 to Rs. 4,138.42 lakhs in B. E. for 1948-49, the expenditure is expected to increase from Rs. 4,293.18 lakhs to Rs. 4,402.00 lakhs during the same period.

Total expenditure on beneficent Departments which is put at Rs. 1,274.33 lakhs in R. E. is anticipated to be Rs. 1,488.61 lakhs in the B. E. Showing the expenditure in lakhs of Rs. on various departments in the R. E. for 1947-48 within brackets, the expenditure in lakhs of Rupees is estimated in the B. E. at 793.70 (620.71) on Education ; 156.98 (140.93) on Medical ; 140.37 (113.81) on Public Health ; 248.90 (293.18) on Agriculture ; 18.94 ( 4.65) on Veterinary ; 63.42 (50.41) on Cooperation ; 66.30 (40.64) on Industries ; 395.97 (302.79) on Civil Works charged to Revenue and 141.12 (85.72) on Irrigation works charged to Revenue. Besides this Rs. 109.61 lakhs are proposed to be spent on Irrigation etc. in the budget year and are provided for in the capital budget, while the corresponding expenditure during last year is only Rs. 9.47 lakhs. Expenditure on Refugees estimated at Rs. 25 lakhs during 1948-49 as against Rs. 15 lakhs last year is recoverable from the Central Government.

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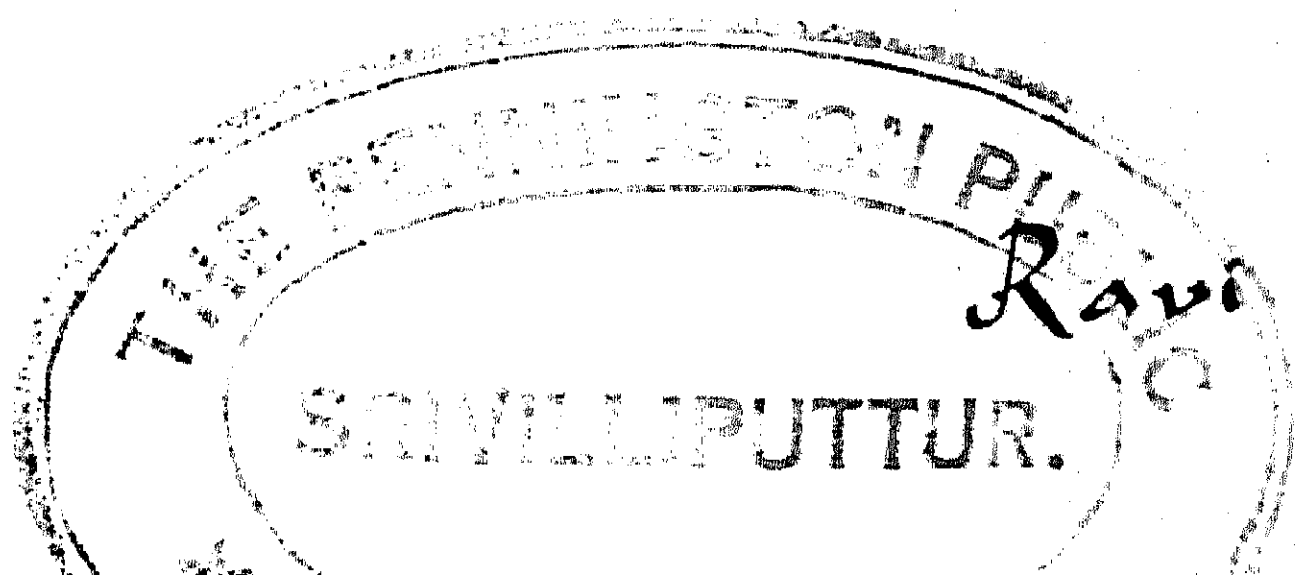


# *A Message from the Hon'ble Premier,*

*C. P. & Berar :*



"We seem to have lived ages in one year of Independence. It was the beginning of a great new era. But in the wake of Independence came miseries and sufferings and to crown all the tragedies, we lost the Father of the Nation within six months' time. Through all these trials, however, India has only emerged stronger. In these difficult times, my province has been playing its humble part and has borne cheerfully the stress of times. Never lagging behind in the struggle for freedom, it has kept pace with the rest of India in its onward march. Here, something was attempted and something done. Still, much remains. We have set ourselves to the task of building a great and prosperous India thus fulfilling the unfinished mission of Mahatma Gandhi."



*Ravi Shankar Shukla.*



# Central Provinces & Berar



## INTRODUCTION

THE Central Provinces and Berar form a single province under a Governor. The province is situated in the heart of India and is surrounded on the North by Central India and Bihar,

on the South — West by Hyderabad, and on the South — East by Orissa. It has an area of 98,575 sq. miles and a population of about 16.8 millions. The area and population of Berar are 17,809 sq. miles and over 3.6 millions respectively. Hindi and Marathi are the principal languages of the province.

The province has a unicameral legislature, the Legislative Assembly with 112 seats. Always in the vanguard of the national movement it had the unique honour to be chosen by Mahatma Gandhi as his field of activities. It is in the Central Provinces for the first time that through the Janapada Act the common man is enabled to participate directly in the shaping of his destiny. The Provincial Government has shown much of its courage, boldness and faith in democracy by introducing this popular measure.

The Revenue for 1948-49 is estimated at Rs. 15.29 crores and the expenditure on revenue account at Rs. 15.74 crores, thus leaving a deficit of about Rs. 45 lakhs. This deficit is proposed to be balanced by withdrawing a corresponding amount from the Post War Reconstruction and Development Fund. The total expenditure includes a sum of about Rs. 460 lakhs for development and grow-more-food schemes.



## FOOD & AGRICULTURE

In respect of food, the province has been self sufficient excepting for wheat. It has even contributed its mite towards the central food reserve under the Basic Plan. The gradual de-control of foodgrains after the Government of India's announcement of policy has worked well and prices were throughout kept under check.

To aid the Grow More Food Campaign a huge sum of over two crores was spent on taccavi loans to cultivators, thus covering in a population of 1 crore 75 lakhs every person in the province against at least 1 rupee of the taccavi advance. In collaboration with the Government of India, a tractor scheme is at work in the northern wheat tracts for reclamation of lands rendered useless by wild growth of a kind of weed known as Kans. Since the scheme was launched in March last, 7,000 acres of Kans infested land has been reclaimed and by the end of this year nearly 50,000 acres will have been brought under the plough.

## IRRIGATION

Construction and repairs of those tanks capable of irrigating not less than 50 acres and not more than 500 acres were undertaken by Government through the agency of the Public Works Department since the construction of village projects involved a lot of expenditure, enterprise and technical advice which were beyond the means of individuals. This scheme was primarily meant for increasing the rice area under irrigation and the target aimed at was an increase in the irrigated area by 20,000 acres.

An ambitious scheme for multipurpose development of C. P.'s riverine systems is under consideration of the Government with a view to provide cheap hydro-electric power for industrial use. Under way is a large multipurpose scheme 90 miles south-east of NAGPUR on the Wainganga river providing  $2\frac{1}{2}$  lakh K. W. of electric power, water for irrigation of 1 million acres and 320 miles of navigation in the first stage. It would

incidentally be the biggest man-made lake in the world when constructed.

The cost of power supplied will be very low in the neighbourhood of 0.1 anna per unit. The estimated cost over the scheme would come to a total of Rs. 34 crores in the first stage going up to Rs. 50 crores in the second stage.

With the ultimate multi-purpose development of the river systems, it may be possible to establish navigable tanks across the country. The lakes formed by impounding water on the river-systems may also constitute a chain of sea-plane bases right across the country of immense strategic values.

The 5-year electrification plan formulated earlier to be worked through three zonal grid systems would be retained as complimentary to the hydro—system. In the southern area the Government have in view an attractive scheme of rural electrification which will also operate the India Government's Nursery Power Project proposed to be located in this province.

## HEALTH

In the sphere of public health, the Government have been going ahead with various schemes. Anti-Malaria units and mobile dispensaries have been bringing relief to remote villages. Indigenous systems of medicine like Unani and Ayurveda are being encouraged.

More hospitals and dispensaries and a medical college were constructed as also special sanatoria for particular diseases such as the T. B. Sanatorium at Chhindwara and a Leper Home in Berar. A comprehensive Public Health Bill was introduced in the Legislative Assembly as a further safeguard of national health. A nutrition section which has been carrying on feeding experiments in schools has been opened. A Public Health Engineering Department has also been constituted which is investigating problems relating to urban rural water supply.

## EDUCATION

An outstanding reform introduced by the Government of C. P. and Berar is the Social Education Scheme, sponsored by

the Hon'ble Pandit D. P. Misra, with a view to combat illiteracy by educating all the illiterates in the province between the ages of 14 and 40 who had not passed the Primary Certificate Examination. A vigorous drive in this regard was started in the whole of the province, with its 11% literacy. The object of the scheme is to acquaint every adult with the everchanging currents in the social, economic and political life of the country and to instil in him a faith in himself and in his future. Through a stream of books and pamphlets, a network of village libraries and museums, visual education, the radio, cinema stage and folk-songs, he would be helped in developing his personality. The scheme has no parallel elsewhere in this country and if it does bear fruit, in a province where people of divergent cultures have settled down, it might serve as a good example to other provinces. It is a matter of pride for the province that the scheme was hailed by the All India Education Board as foremost in the field and was even fully adopted by it.

The Gandhian idea of Basic Education as developed by the educational authorities of this province, has attracted world-wide attention as a new revolutionary programme. The Scheme is being gradually fitted into the educational structure of the province and an expert board guides its course.

Plans are under way for the opening of 2,500 Primary Schools and 100 Middle Schools along with the launching of the Social Education Scheme. Government have also accorded recognition to the national institutions and sanctioned grants to them for the first time. Government policy is to have the regional language of the area in which the educational institutions are located as the medium of instruction.

## INDUSTRY

C. P. has almost a monopoly of India's manganese and the biggest of its cement factories. It has rich iron deposits and a quantity of average quality coal as well. Its mineral wealth includes mica, fireclay, barytes, graphite and soap-stone. Besides, its widespread forests provide costly teak-wood, shellac



and raw materials for paper and news print industries. A good quota of raw cotton for the textile industry is also available from Berar.

To run the wheels of industry cheap power drawn from the river systems of the province, can be used for aluminium, newsprint, paper, cement and other factories. The prospective industries are soap, paints, varnish and bone-meal. In no distant future, the province thus bids fair to be one of India's most industrialised areas.

The Provincial Government have been devoting particular care to revive and develop cottage industries. To utilise the province's large quantity of oil-seeds, an oil-ghani scheme has been introduced. Under the scheme, improved Wardha design ghanis are provided and loans are granted to Cooperative Societies for the purchase of oilseeds and ghanis. Other village industries schemes engaging Government's attention are manufacture of gur from juice of date palm and palmyra trees, production of Khadi, establishment of a Nim Products Institute and manufacture of ink from 'hurra' products.

## COOPERATIVE ACTIVITIES

In order to carry on an experiment in cooperative farming the Provincial Rural Development Board has decided to select two villages in each of the four revenue circles and thus work out the scheme. During the period of controls, the cooperative agricultural and multi-purpose societies which have increased in number had come to farmer's rescue and secured him high prices. Thus the cooperative movement has been fast developing on non-credit side.

## LABOUR.

Labour, in all its aspects presents one of the most complex problems of the time and the labour policy of the Provincial Government as formulated in consonance with the All India policy has all along been to minimise industrial strife and prevent the paralysis of production which results from strikes

and lock-outs and to this end suitable machinery for conciliation, arbitration and adjudication of industrial disputes, has been established, while the C. P. and Berar Industrial Disputes Settlement Act of 1947 is already in force. This act does not allow workers to go to strike or the employers to declare lockout or general retrenchment until the whole process of conciliation, arbitration and adjudication has been gone through; and if the dispute is settled or adjudicated the same restrictions on both the employers and employees continue to apply for a further period of 6 months or the pendency of the award.

In spite of the Government's earnest desire to ameliorate working conditions, the Provincial Trade Union Congress, under the chairmanship of its Communist leader, called for a general strike of all workers, security servicemen, essential services and students on the 16th March 1948. A few experienced labour leaders who might have opposed such a move when maximum production was declared to be the sumprime need of the hour, joined hands with the Communist leaders for political purposes. As a result on the 12th March the Provincial Government declared a number of specified employments as illegal. The general strike failed for lack of support from workers, but sporadic and partial strikes occurred amongst sweepers, textile workers and some mine workers, which were promptly suppressed. With the help of Trades Disputes Act industrial truce has been maintained fairly successfully in the province. A Shop Assistant's Bill fixing an eight-hour day is also in force.

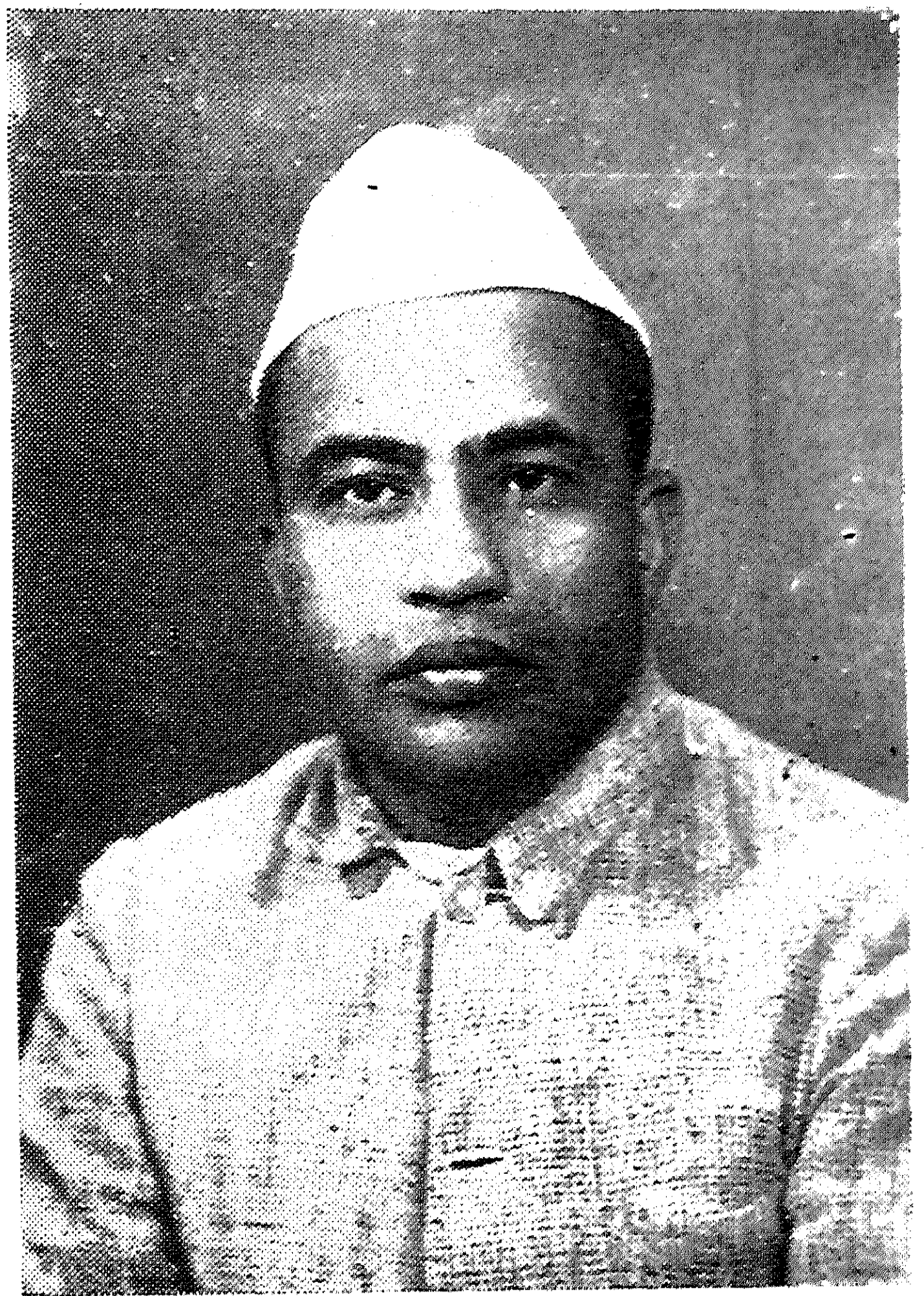
## ABORIGINAL WELFARE

With a view to improve the condition of the 45 lakhs of aborigines in the province, a Backwar Areas Welfare Scheme evolved by Thakkar Bapa has been at work. Under the scheme the whole backward area has been divided into ten zones, Schools, Hospitals and Cooperative Societies have been opened for the benefit of the aborigines. To bring about their social and cultural development, education propaganda is carried by means of bhajan parties and film vans.

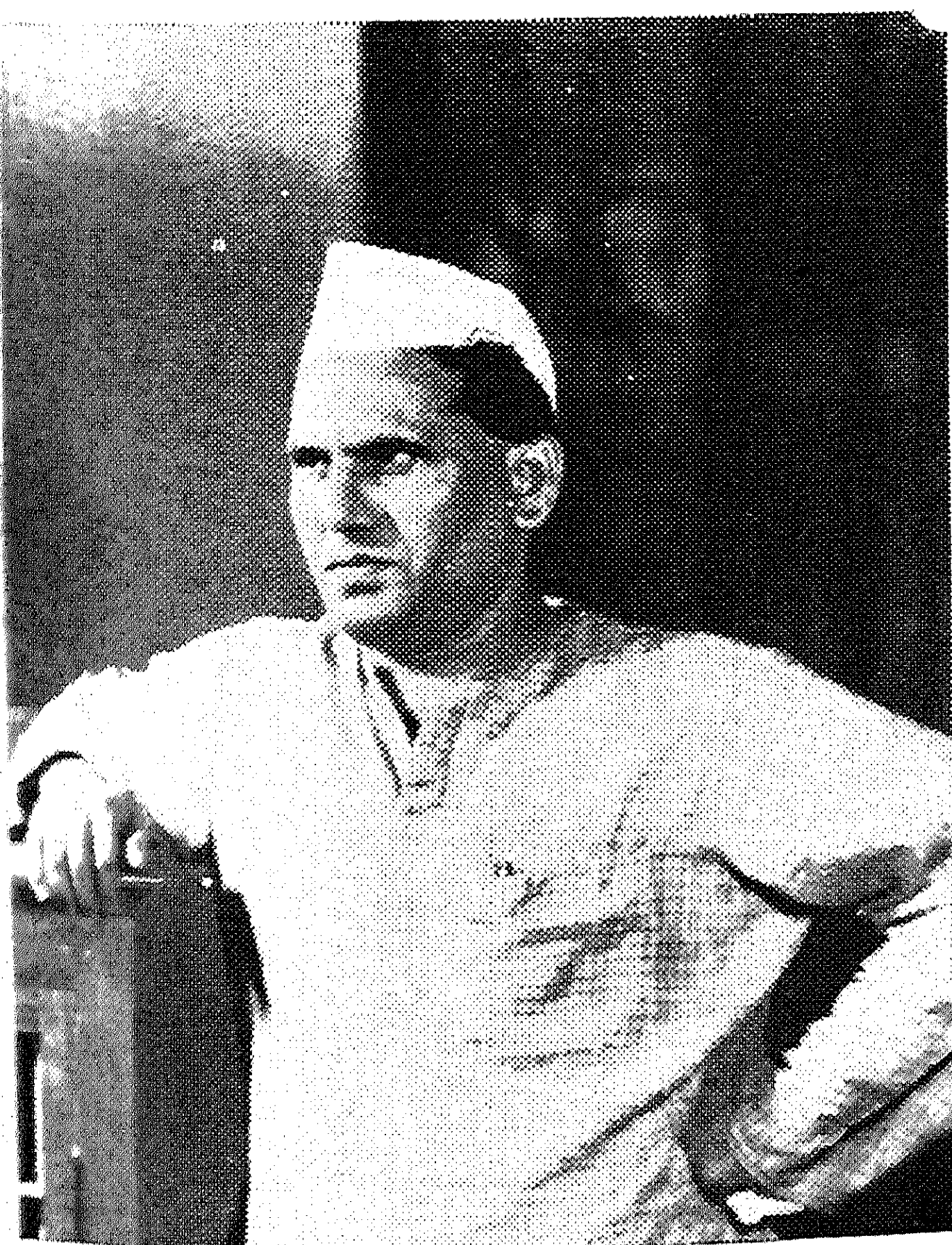




**Shri A. M. Kakade**



**Dr. W. S. Barlinge**

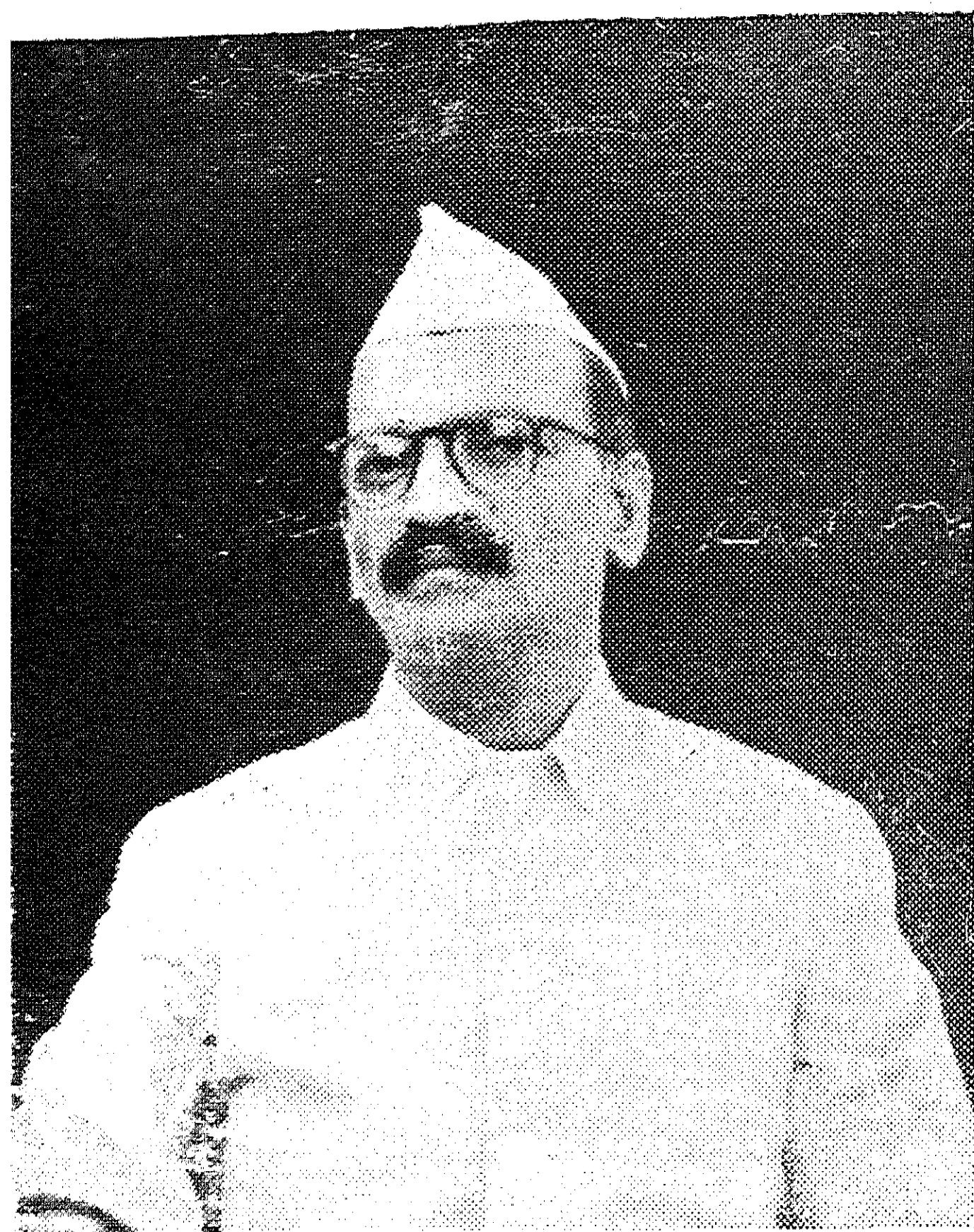


**Rameshwar Agnibhoj**

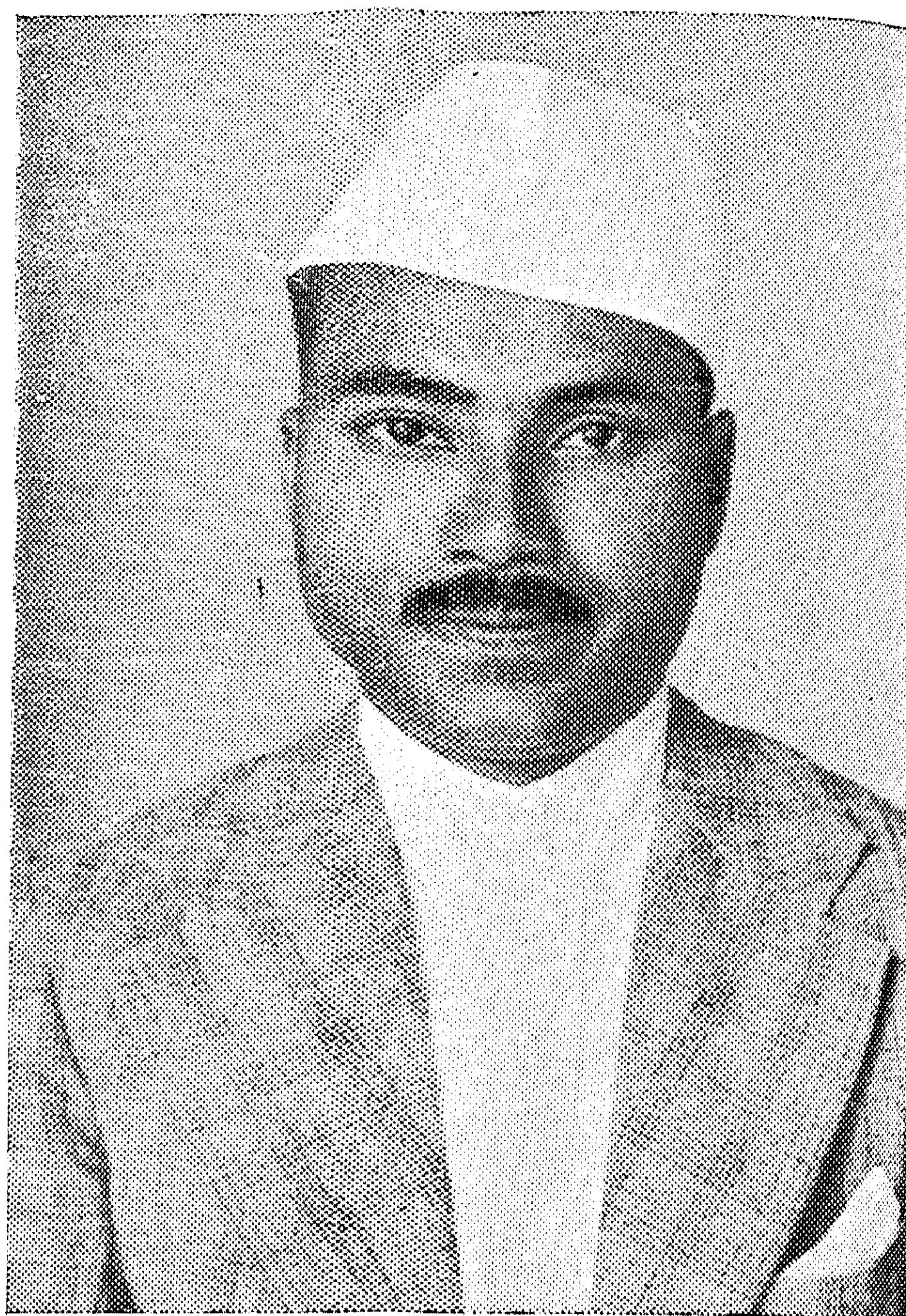


**Shri R. K. Patil**

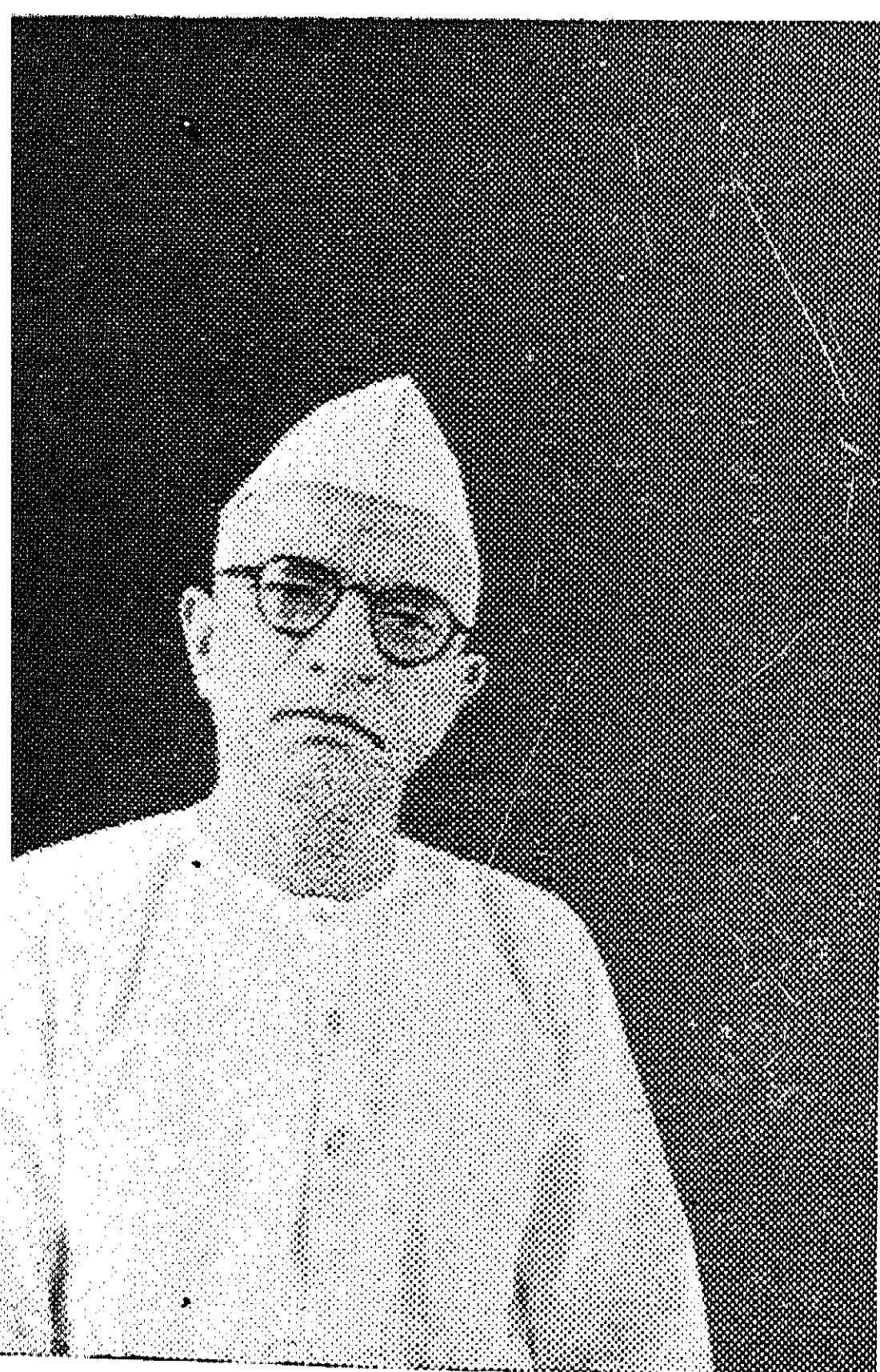




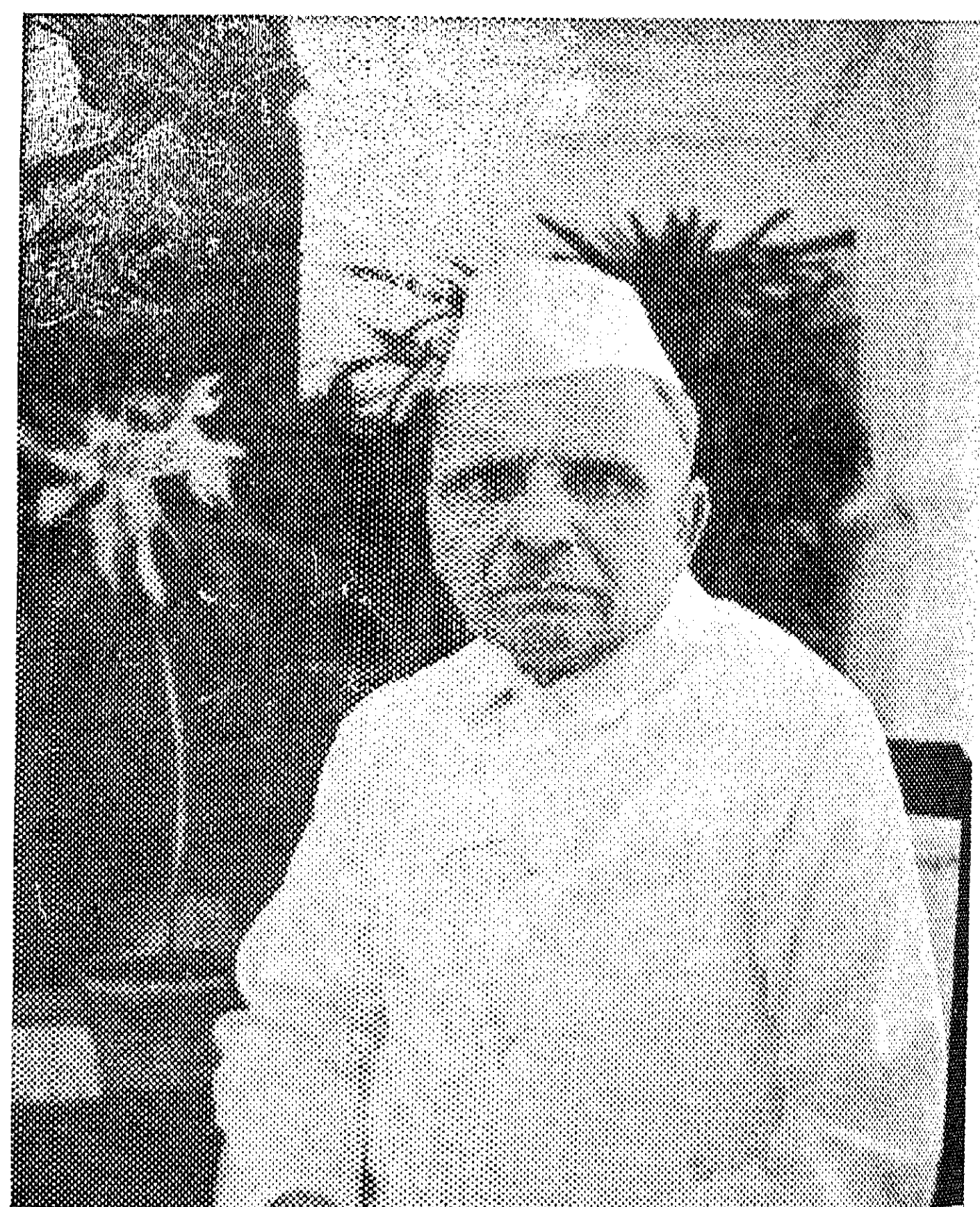
**Pandit Dwarak Prasad Mishra**



**Shri P. K. Deshmukh**



**Pandit Durga Shankar Mehta**



**Shri Sambhaji Rao Gokhale**



## JANAPADA SABHAS

The province has distinguished itself in another notable way. A bold and revolutionary democratic experiment in the shape of Janapada Sabhas has been launched throughout the province. The plan owes its birth to Pandit D. P. Mishra, Minister for Local Self Government. These Janapada Sabhas will be people's councils with Tehsils as their units and under their purview would come, excepting finance, law and order justice, all departments of public utility. The expert knowledge and administrative skill of the services will be at the disposal of these Sabhas. The plan is as revolutionary in conception as in its application. The result will be that the humblest citizen would in some way play a part in shaping his own destiny. Democracy could not be taken further.

Further, 4000 Gram Panchayats and 1000 Nyaya Panchayats have already been set up in the province. The ideal is to set up a Gram Panchayat for each village and a Nyaya Panchayat within a radius of every five miles, which will become so many nuclei for the development of rural life. The meaning of Swaraj will thus be brought home to every town and village.

## HOME GUARDS

The C. P. Government have enthusiastically taken up the question of raising, equipping and training of Home Guards. The Home Guards Scheme was started in the month of November 1947 and two batches have already completed their training spread all over the province. This body of men are expected to provide a reservoir of strength both to the province and to the country as a whole by providing trained citizens capable of using arms in the defence of their country. Government servants who join the Home Guards are considered to be on duty during the period of their training and in emergencies when they are on active service.

In addition to the Urban Home Guards, the Provincial Government have recently decided to raise a Unit of Rural Home Guards. This Unit will be spread in the whole province

of C. P. & Berar divided into two separate areas one for the Marathi Speaking Districts and the other for the Hindi Speaking Districts. To start with each District and important Sub Division will have at least three Rural Home Guards Training Centres. Each centre will have as many villages as possible round about a radius of 5 to 6 miles. The Provincial Government have also decided to hold a Refresher course immediately for the Rural Home Guards already trained in Berar in the month of November and December, 1947. The object of this scheme is to give the villagers a sense of discipline and selfconfidence and train them to organise themselves in order to maintain peace and order in the locality.

## PROHIBITION

Soon after assuming office, the congress Government announced its decision to declare the whole province "dry" during the next few years. The total dry area is now 40,000 square miles extending nearly to half the area of the province.

## REFUGEE PROBLEM

The province has extended its full cooperation in solving the colossal refugee problem. The number of refugees in its camps at present is about 28,000 & there are 83,000 more outside the camps. Besides, about 2 lakhs Sindhi refugees are still to arrive. The absorptive capacity of the province has been calculate at one lakh. The cost of rehabilitation is estimated at 4.25 crores immediately and a similar sum later. A separate department has been created under a Rehabilitation Commissioner to look after the implementation of the various schemes for the relief of this uprooted population.



## THE C. P. & BERAR CABINET

Pandit R S Shukla,  
Premier

GENERAL ADMINISTRATION,  
DEVELOPMENT, LABOUR.

Pandit D. P. Mishra

LOCAL SELF GOVERNMENT, PUBLICITY, HOME, ADULT EDUCATION.

Shri D. K. Mehta

FINANCE, COMMERCE and INDUSTRY.

Shri S. V. Gokhale

EDUCATION, REVENUE.

Shri R. K. Patil

FOOD, CIVIL SUPPLIES, AGRICULTURE, COOPERATIVE SOCIETIES.

Shri W. S. Barlingay

RURAL DEVELOPMENT, MEDICAL and PUBLIC HEALTH.

Shri R. Agnibhoj

PUBLIC WORKS, REFUGEE RELIEF and REHABILITATION.

Shri P. K. Deshmukh

LAW, REGISTRATION, JUDICIAL, FORESTS.

Shri A. M. Kakade

EXCISE, REGISTRATION, RURAL DEVELOPMENT, BACKWARD TRIBES and MINORITIES.

## APPENDIX

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### THE C. P. AND BERAR BUDGET

The total Revenue of the province shows an increase from Rs. 1,240.41 lakhs during the year 1947-48 (Revised Estimate) to Rs. 1,574.50 lakhs during the year 1948-49 (Budget Estimate) while the corresponding expenditure also increases from Rs. 1,240.28 lakhs to Rs. 1,574.44 lakhs i.e., there are nominal surpluses of only Rs. 13,000 and 6,000 in the two years respectively. The budgets are therefore, well-balanced.

On the Revenue side as compared with the Revised Estimate the principal increases in the Budget Estimate are Rs. 37.92 lakhs under Taxes on Income, Rs. 70.57 lakhs under Land Revenue, Rs. 100.32 lakhs under other Taxes and Duties (mainly due to income from the Sale Tax) and Rs. 40.21 lakhs under Miscellaneous Heads. The principal decreases, on the other hand, are Rs. 12.67 lakhs under Excise due to the policy of prohibition Rs. 32.12 lakhs and Rs. 17.16 lakhs under Police and Civil Works respectively, both of them due to cessation of subventions from the Centre.

Out of the total expenditure Rs. 464.63 lakhs represent the expenditure on only the beneficent departments while the corresponding figure for last year as revised now is Rs. 338.79 lakhs while for 1946-47 and 1945-46 it was only Rs. 220.35 lakhs and Rs. 148.41 lakhs. In detail the Budget provides for a sum of Rs. 238.55 lakhs on education; Rs. 112.95 lakhs on Medical and Public Health and Rs. 105.07 lakhs on rural development including Agriculture, Veterinary and Cooperation.

Large scale Civil and Irrigation works are proposed to be started and will be financed from both the Revenue and Capital Budgets. On such works expenditure charged to Revenue is expected to be Rs. 314.78 lakhs during the budget year (1948-49) as against Rs. 182.71 lakhs for Revised Estimate of 1947-48. The capital Budget provides for Rs. 338.83 lakhs and Rs. 230.35 lakhs in the two respective years.

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# *A Message from the Hon'ble Premier, East Punjab:*



We have completed our first year of Independence. A year of indescribable misery and heart breaking agony. During this period we have passed through an ordeal which no people in the world had ever witnessed before. It has ruined us, it has crushed us, but it has not been able to break us. Lakhs and lakhs of our brethren and sisters have become homeless and penniless. Thousands, who till yesterday were rolling in wealth, to-day have not got a roof to live under. A large number of our sisters, mothers and daughters have become widows with nobody to look after them. A great number of our children

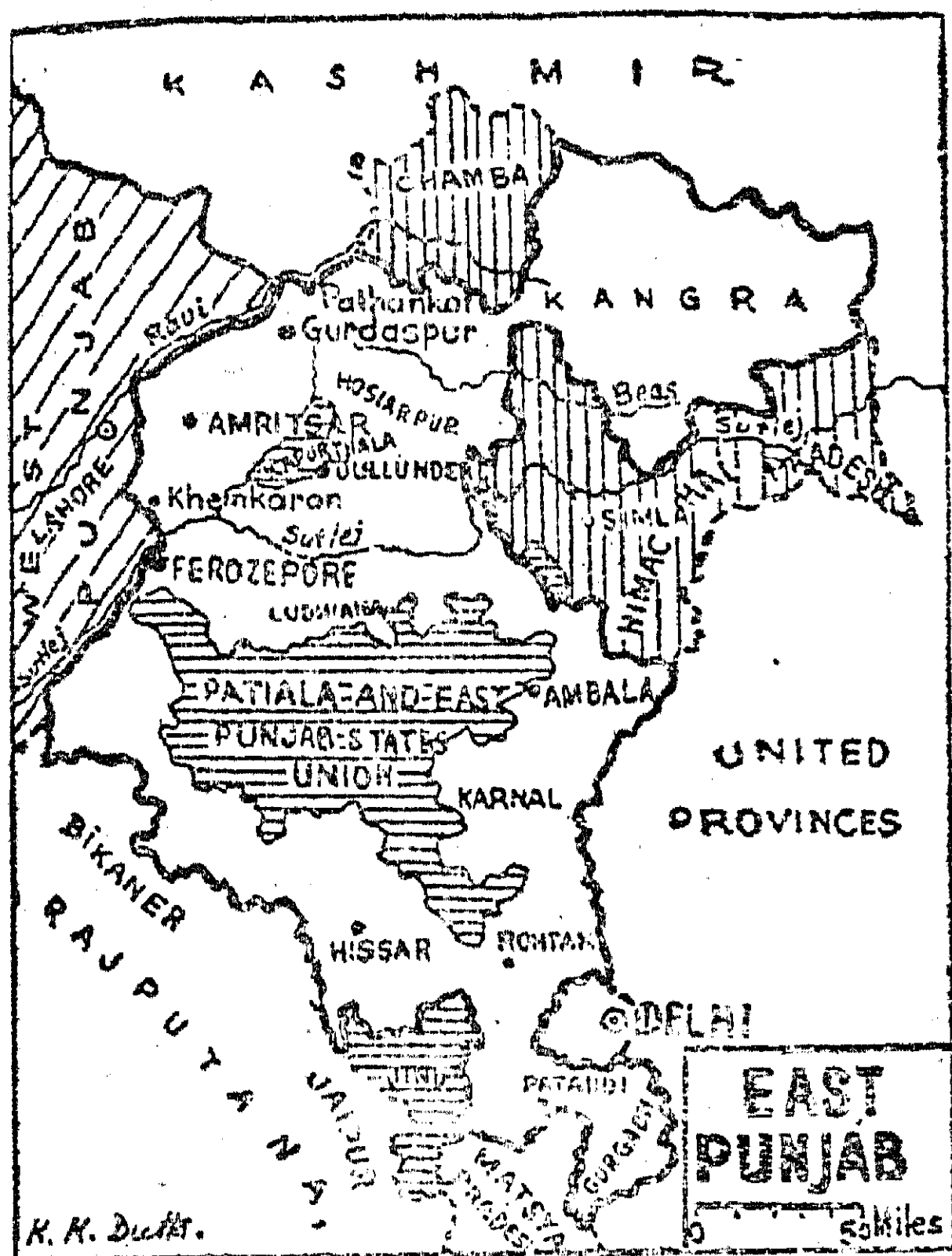
have been for ever deprived of parental care and love. Punjab today lies prostrate and bleeding. But Punjab knows how to bear it. We are proud that on the ruins of our prosperity has been built the structure of a New and Independent India. No body can now say that the Punjab did not play its part in India's struggle for freedom. The first glorious chapter in the history of our struggle for emancipation was written with the blood of Punjabi martyrs in 1919 in Jalianwala Bagh massacre. And now the privilege of writing the last chapter with their own blood has again gone to the Punjabi martyrs. No other province has paid such a heavy price. Nay no other country in the world has so far paid such a heavy price for the liberty as the Punjab has paid for India's freedom. We are not sorry for it, rather we are proud of it. But in this hour of our trial and suffering we expect sympathy and understanding from our countrymen. For on the proper rehabilitation of uprooted millions depends the future of our people. We have done our duty towards our country. Let our country stand by us.

THE PENNILESS  
*Gopichand Bharagava.*  
GIVE IT UP.





# EAST PUNJAB



## INTRODUCTION

THE East Punjab consists of only 13 districts (out of 29 of the United Punjab) with an area of 30,541 square miles and a population of 12.4 millions. It is not a homogenous territory. In its north east lie the hill ranges of Shivalik and the Kangra Valley; the Jullundur Division contains rich alluvial soil; while parts of Ambala Division or Haryana Prant are dry and waterless tracts. Lin-

guistically too, the province presents some variety. In most of the Simla Hill States and Kullu and Kangra, the language spoken is "Pahari". To further south, in the districts situated on the south bank of river Jumna, the language spoken is a form of western Hindi called 'Harianvi'. In the rest of the districts, the language spoken is 'Punjabi'. The question of the language for the province is under consideration and in view of the above facts, both Hindi and Punjabi will have to be retained for areas in which they are predominantly spoken. The government have also invited suggestions for a more appropriate name for the province, as the name 'East Punjab' does not truly depict the features of this tract of the country.

This new frontier province of India had passed through an upheaval, perhaps unprecedented in human history. Some 5 million and old refugees finding life impossible due to communal frenzy and torture in the newly founded State of Pakistan escaped to the neighbouring province of East Punjab which itself came into existence as a result of the June 3 plan

and the subsequent Radcliffe Award that defined the boundaries of the partitioned Punjab.

The United Punjab was one of the most flourishing and prosperous provinces of India. Partition has adversely affected both the new provinces and it will take a long time to regain the old standard of living which was appreciably higher in the Punjab than in other parts of the country. For years continuously the Punjab had a surplus budget which reflected the essential soundness of its finances. All this has changed and at present East Punjab is faced with a deficit to balance which new sources have to be tapped and production as a whole to be stepped up to balance its economy.

The first Budget for East Punjab, disclosed a big deficit of Rs. 6.69 crores, the estimated revenue and expenditure for 1948-49 being Rs. 11.13 crores and Rs. 17.82 crores respectively. Increased excise duties on country spirit and country-made foreign spirit, opium and bhang are estimated to yield Rs. 33 lakhs. An expenditure of Rs. 7 crores for the Rehabilitation of Refugees is provided for and this explains the big deficit. A sum of Rs. 330 lakhs has been provided for the various beneficent departments. The total provision for primary education is Rs. 41 lakhs. Part of the deficit in the province's finances is expected to be met by increased taxation.

There is no doubt that for the coming few years the East Punjab Government will have to face serious problems; due to strained economic conditions an all-out effort will be needed to tide over the situation. There is, however, no need for any gloomy view of the situation. With the completion of the two hydro-electric projects, which are under way the old prosperity will be restored and the recent bitter happenings and hardships will become past memory. The government are very rightly concentrating on these long-range plans, for there is no other way of combating the problems — some of them gigantic in proportion — that have arisen in the wake of partition.



## Refugees the Main Problem

The main problem facing the East Punjab Government is the rehabilitation of refugees from the West Punjab. The magnitude of this problem may be gauged from the fact that the figure of total evacuation is more than 42 lakhs. Exchange of population on such a scale is unprecedented and their rehabilitation is full of complications and difficulties. The progress of rehabilitation has been slow but not so slow as is sometimes made out by mis-informed and possibly malicious criticism. There are, for instance, only 311894 Hindu and Sikh refugees in the camps in East Punjab (the figures cover the period upto July 8, 1948). The pace of dispersal has been hampered by the anticipated allotment of agricultural land on semi-permanent basis. The government however are speeding up the process, firstly by giving priority in the allotment of land to the agriculturist families and secondly, by setting up Employment Exchanges in all the camps with the object of shifting as many employable refugees to some sort of employment as possible. The effort is to absorb all the refugees and wind up the camps altogether. It may be noted that a sum of Rs. 2,66,35,248 has so far been spent by way of expenditure on food, medicines, provisions and other items for the maintenance of these camps. No government, however rich and the East Punjab Government is by no means so, can afford to incur an expenditure of this proportion for long.

It is rather difficult to say, how long it would take to rehabilitate all the refugees and settle them in tolerable conditions of life. It is a big job and the problem is many-sided. The East Punjab Government have been almost wholly occupied with the refugee problem and the Central Government, besides providing funds have been giving all possible help including administrative and technical advice.

The allotment of agricultural land and industrial concerns is proceeding apace. Of the 3,282,979 cultivable acres available for allotment, 2,555,641 acres have been allotted upto June 15, 1948. The total allotment of houses upto the end of June was

68,488 which gives a percentage of 63 on the total allottable houses. The number of shops allotted upto the same period was 9,746 which gives a percentage of 66 on the total allottable shops. The total number of factories allotted by then was 409 leaving only 6 factories to be allotted. The really satisfactory solution of rehabilitation will be found not in figures of allotment of land, houses or shops but in the economic planning of the Province. This programme, the Government are pushing forward with the greatest despatch.

## AGRICULTURE

The major portion of the canal system probably the biggest of its kind in the world has been left in the West Punjab and out of the 14 million acres irrigated by these canals, only 3 million acres have come to the share of East Punjab. The East Punjab has a total area of 23 million acres, out of the 60 million acres of United Punjab and of this 6.2 million acres are not available for cultivation.

## INDUSTRY

Industrially, the province has potentialities but needs scientific and planned exploitation of resources. The existing industrial structure of the province is pyramidal in character with a wide base of cottage industries and a fair-sized body of small-scale and organised industries.

A striking feature of the industrial pattern of the province is uneven distribution of industrial activities. Industry is mainly concentrated in the border districts — Amritsar, Gurdaspur and Ferozpur and over half of the registered and about 60 percent of the workers engaged in organised industry are massed in these three districts. On the other hand, in the south eastern districts of Gurgaon and Rohtak and the mountainous district of Simla, there is hardly any industry.

Another notable feature of the industrial fabric of the province is that 75 percent of the registered factories are perennial. Amongst them, textile and hosiery mills, foundries





Sardar Partap Singh



Capt. Ranjit Singh

Sardar Swaran Singh





Shri Prithvi Singh Azad



Giani Kartar Singh



Shri Krishan Gopal Dutt

and engineering workshops, paper and glass factories, flour mills and chemical manufacturing factories at Amritsar have obvious potentialities for development.

## DEVELOPMENT PROJECTS.

The future of the East Punjab Government is in the hands of its engineers. The Province can survive only by the earliest completion of its hydro-electric projects, which alone can restore agricultural and industrial prosperity to the province. By the construction of the Bhakra Dam (scheduled to be completed by 1955-56) the famine stricken areas of Rohtak, Hissar and Gurgaon will be turned into thriving and flourishing canal colonies. The project contemplates the construction of a dam about 480 feet high to store water in the monsoon season at Bhakra on the Sutlej river. Bhakra is situated in Bilaspore State in the Himalayas, forty miles north of Rupar where the river, leaving the mountains, enters the plains. It is estimated that the dam will be able to store 4.3 million feet of water of which 3.5 million feet will be live storage, capable of releasing during 270 days, a mean discharge of 600 cubes. The capacity of the dam is more than three times the storing capacity of the famous Aswan Dam on the river Nile in Egypt. The dam with its 200 miles of lined main canal and network of distribution, irrigating an area of  $4\frac{1}{2}$  million acres, may be expected to turn the East Punjab into one of the most flourishing areas in the world. The project is estimated to cost in all about Rs. 55 crores.

The Nangal Power Project, which forms an integral part of the combined irrigation and Hydro-electric projects based on the Bhakra Dam, is estimated to cost another Rs. 22 crores. A considerable portion of the electrical power, which under the original project was to be utilized in the West Punjab has now to be diverted to the East Punjab. In order to transmit and distribute power to the area covered by the Nangal project it would be necessary to erect about 2200 miles of H.T. lines varying in voltage from 220 K.V. to 11 K.V. and construct 42 mid sub-stations. It is intended to cater for the acute shortage



of power in the province for the development of various industries and to make the barren land fertile by tube well irrigation. It will supply electrical energy to about 57 towns in the province.

## LAW & ORDER.

As the frontier province of India the border problems of East Punjab are the problems of India as a whole. On the safety and security of East Punjab, depends the safety and security of the country itself. Immediately after the partition, which resulted in the mass evacuation of refugees from either side, the provincial government was faced with an unprecedented situation. The happenings and developments in Pakistan, particularly in the West Punjab, led to quick repercussions in the East Punjab. Law and order was seriously disturbed in the province and it needed firm handling by the provincial government before things were brought to normal. The situation was further worsened by the breakdown of communications, followed by heavy rains and floods which seriously dislocated normal life for several weeks. The province, however, successfully passed through the ordeal and the government promptly set things right by suppressing disorders with a firm hand and restoring rail and road communications.

## PLAN FOR A NEW CAPITAL.

Lahore, the Capital of the United Punjab having gone to West Punjab, the East Punjab was left without a capital. The Government have decided to construct their capital city on a new site, near Chandigarh, flanking the Kalka-Simla road. Located at the foot of the hills, the capital is planned in an area of about 50 to 60 square miles, of which 46,000 acres have been reserved for the construction of offices and other institutions. A dam constructed across the Ghaggar river will provide the water supply to the town both for irrigation and drinking purposes. These supplies can be further augmented from the Bhakra line located about 15 miles away from the capital. The major road system will consist of a provincial highway from Ambala past



the south of the capital and a railway will also be constructed to connect the main line at a suitable place. In designing the neighbourhood units, the experience of various countries have been duly taken note of. The plan includes the latest amenities of modern town life.

The future of the province lies in the successful execution of the reconstruction plans the present ministry has in hand. It has been estimated by the experts in-charge of the hydro-electric projects in the province that on their completion, cheap electric power will be available for consumption for all purposes on a wide scale. It will be possible for most of the villages to be electrically lighted and both agriculture and industry will be reorientated with cheap power, thus ushering in a new era, replacing the "economy of scarcity" by an "economy of plenty".

### THE EAST PUNJAB CABINET

Dr. Gopichand Bhargava  
(Premier)

GENERAL ADMINISTRATION,  
EDUCATION, MEDICAL, PUBLIC  
HEALTH & CIVIL SUPPLIES.

Sardar Swaran Singh

LAW & ORDER, JUSTICE & JAILS,  
LAND REVENUE, IRRIGATION and  
ELECTRICITY.

Sardar Partap Singh

RELIEF & REHABILITATION.

Capt. Ranjit Singh

P.W.D. BUILDINGS, ROADS AND  
TRANSPORT.

Shree Prithvi Singh Azad

EXCISE, TAXATION & LABOUR.

Giani Kartar Singh

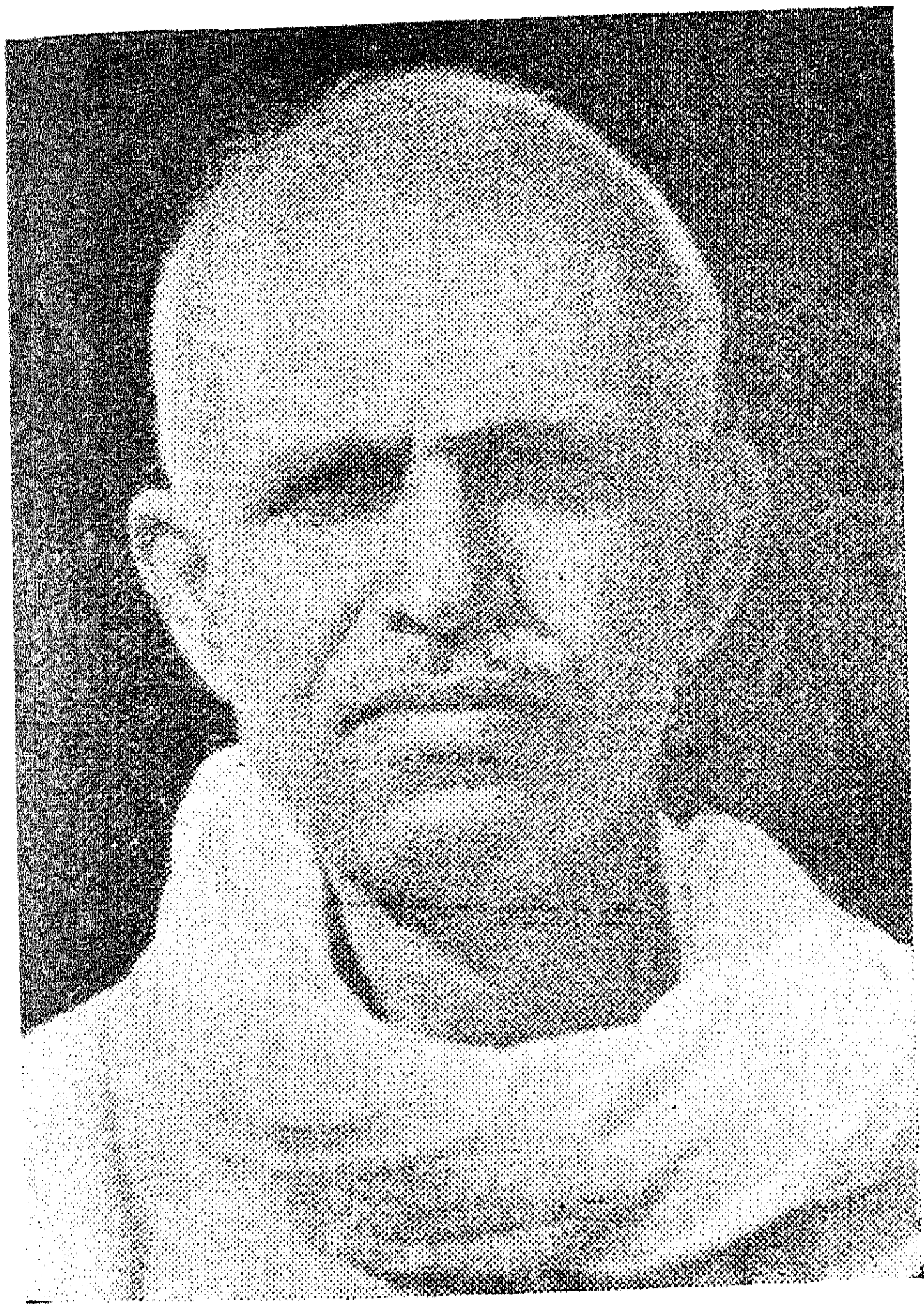
FOREST, AGRICULTURE, VETERI-  
NARY & CO-OPERATIVE SOCIETIES.

Chaudhri Krishan Gopal Dutt

FINANCE, LOCAL SELF-GOVERN-  
MENT & INDUSTRIES.



## *A Message from the Hon'ble Premier, Madras :*



It is now two years since the Congress assumed office. These two years have been a period of great stress and sore trial to the people, and to those in whose hands the people's welfare was entrusted. Yet, guided by the immortal flame lit by Bapuji, we have surmounted all obstacles, survived all dangers, and surrendered ourselves to the devoted and disinterested service of the Daridra Narayan of this country.

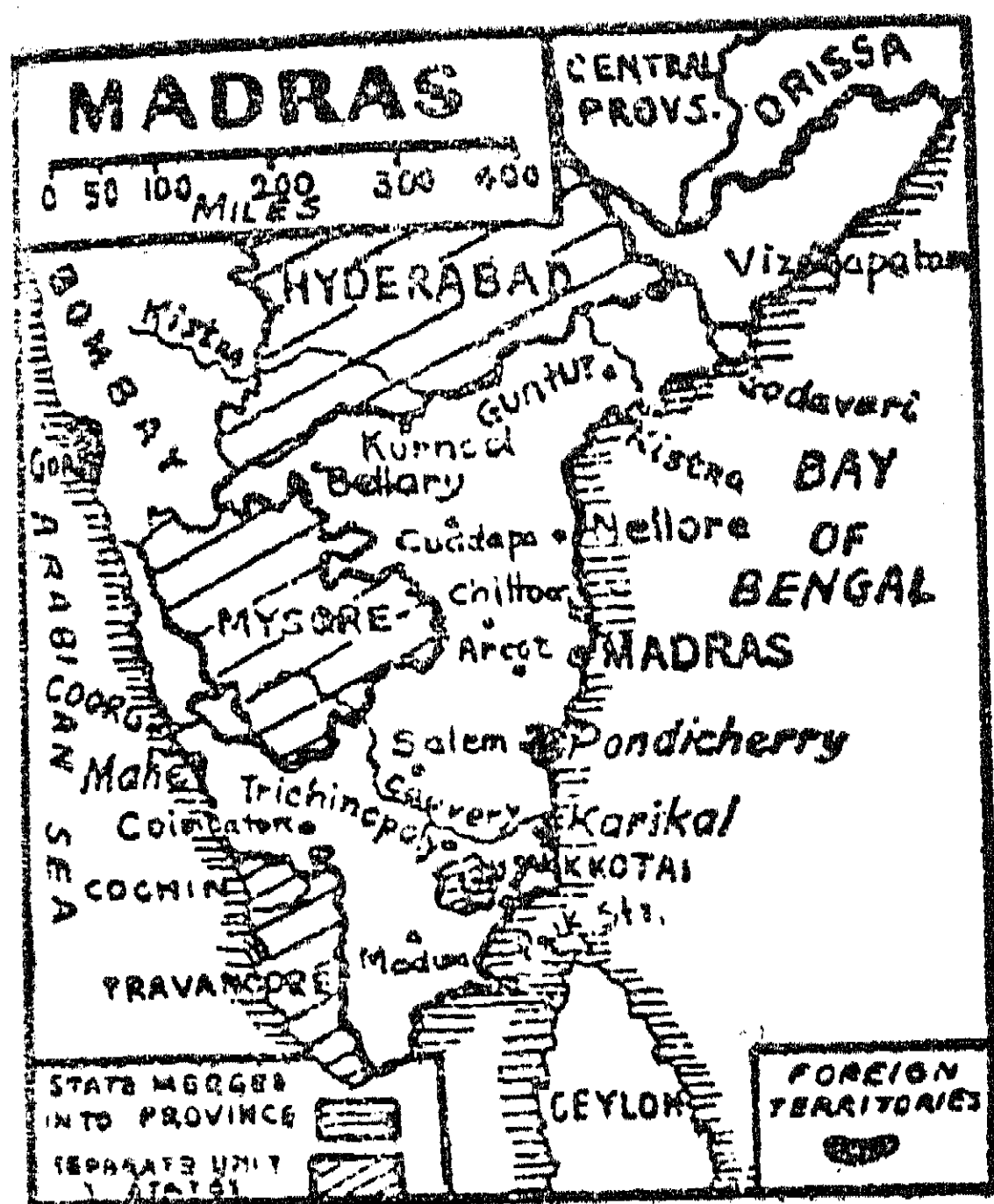
In our own province, the three items of constructive work that were dearest to Mahatmaji have been taken up in full earnest. With the introduction of Prohibition in all but eight districts of the Province, the death-knell has been rung for the drink demon. The Harijans, who were till now the submerged section of society, have been given the freedom and the facilities to take their rightful place in the body-politic. All social disabilities that they were suffering from, have been removed and discrimination against them has been made a penal offence. The Madras Government have also taken up the work of intensive firka development with the object of developing the villages so that they may ultimately attain self-sufficiency.

These are but a few aspects of the glorious though silent, revolution that has been set in motion. Looking back on our record of service, we have reason to feel proud that we have played well our part as true servants of the people. Fortified by that thought, and imbued with hope and confidence in the future, we pledge ourselves anew to serve the masses, with courage and faith.

*O. P. Ramaswami Reddy.*







## INTRODUCTION

**M**ADRAS is the Southernmost Province in India, covering an area of 126,166 sq. miles and containing a population of 49.3 millions. It is a poly-glot area with Tamil, Telegu, Malayalam and Kanada as its principal languages.

Madras is a Governor's Province with a bicameral legislature. There is a Legislative Assembly consisting of 215 seats and a Legislative Council consisting of not less than 54 and not more than 56 seats. The Congress Party is in an overwhelming majority in the Lower House and consequently the Cabinet is formed by this Party.

The budget for the year 1948-49 revealed a small surplus of about Rs. 71,000. The estimated revenue of the Province for 1948-49 is Rs. 55.943 crores and the expenditure Rs. 55.936 crores.

The achievements of the Madras Ministry in improving the lot of the common man in the province have been varied and many sided. Being the successors of a foreign bureaucracy, the Ministry naturally took some breathing time to study the situation and mould the Governmental machinery to subserve the demands of their nationalistic policies. This done, the Ministry have gone ahead with various nation-building schemes, as the following brief account of its activities will show.

## THE FOOD PROBLEM.

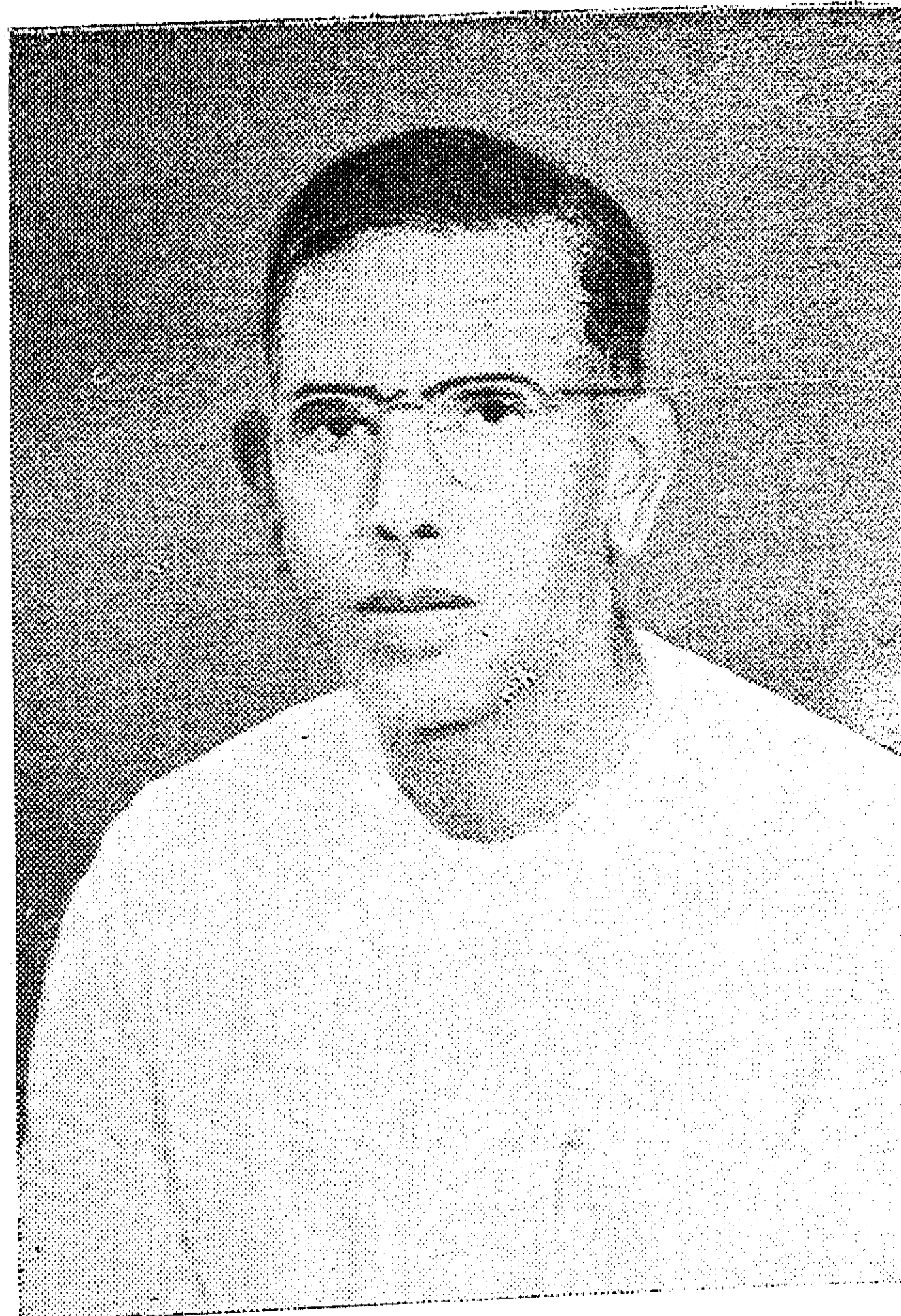
When, owing to unfavourable seasonal factors, the food situation in the Kharif year 1945-46 (1st November 1945 to 30th October 1946) became critical, intensive procurement and rural rationing, which were in force previously only in the highly deficit districts were extended to all including the surplus districts. During the year 1946-47, the season was very promising, but in spite of better production, local procurement tended to decline. The prospects of imports were also not bright. The Government ordered an increase in the price of paddy upto As. 4 per imperial maund to be paid to producers by reducing the allowances to intermediaries. The Ministers undertook an intensive tour of the districts and appealed to producers to spare as much as they can. Under this intensive drive, the tempo of procurement rapidly went up and record figures were reached by the end of September onwards. The final figures show that 16,17,617 tons of food-grains were locally procured and 2,48,894 tons imported under the Government of India scheme, making a total of 18,66,541 tons. Of this, the off-take was 18,16,541 tons leaving a small carry over of about 50,000 tons.

The present Kharif year 1947-48 started very disappointingly. The North-east monsoon was a complete failure in many districts. Besides, this, cyclonic rains in the middle of December caused submersion of paddy crop in the Circars, resulting in some damage to the crop which was then under harvest. The adverse seasonal conditions reduced the yield of crops in the deltaic districts and resulted in more or less complete failure of crops in non-deltaic areas. According to present estimates, the total production of rice for the entire year is expected to be only 3.7 million tons, against a normal of 4.9 million tons, which means a reduction of 1.2 million tons or roughly about 25 per cent. In the case of millets, the production is estimated at 1.94 million tons, as against the normal of 2.65 million tons, which means a reduction of 0.8 million tons. Against this total deficit of 2.1 million tons, the





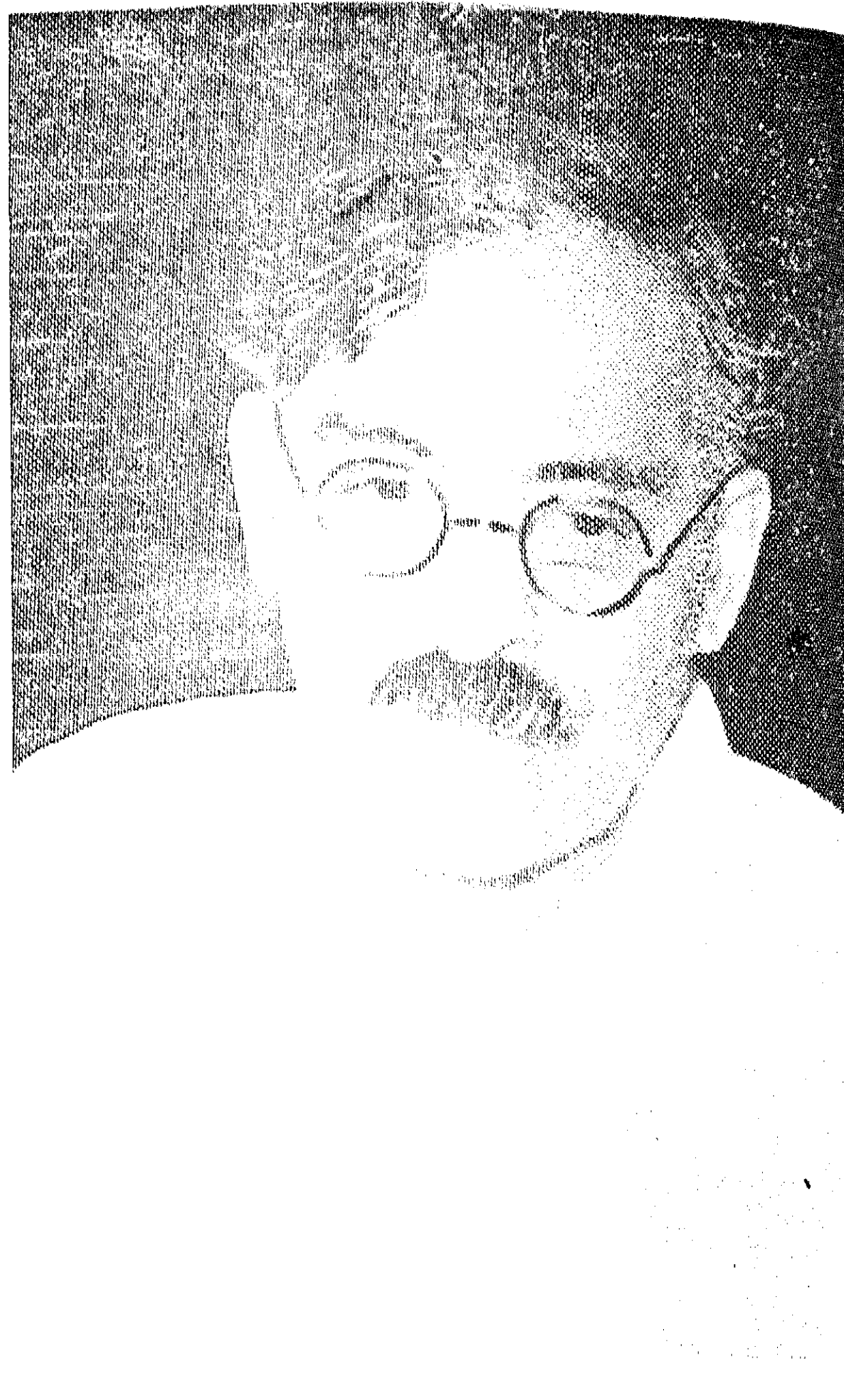
**Dr. T. S. S. Rajan**



**Dr. S. Gurupadham**



**Shri T. S. Avinasalingam Chettiyar**



**Shri K. Madhava Menon**



**Shri B. Ganapa Reddy**



Government of India have promised to supply 2 lakhs of tons composed of all food grains. The Government of Madras have represented that this allotment is very much short of the deficit and the Government of India have promised to give the utmost relief possible.

Consequent upon the decision of the Government of India to de-control and de-ration food-grains as quickly as possible, the Government of Madras decided to abandon rationing with effect from 28th December 1947 in the rural parts of all districts except the very heavily deficit districts of Nilgiris and Malabar and in the statutorily rationed areas of the surplus districts. After 1st February 1948, rural rationing is in force only in the Nilgiris and Malabar districts. Statutory rationing is in force only in the towns in deficit districts. Consequent on this policy, intensive procurement has been given up in all the deficit districts except the Nilgiris and Malabar. Intensive procurement, however, continues in all the surplus districts, while in other districts, procurement is done through a system of levy on producers.

## PUBLIC HEALTH.

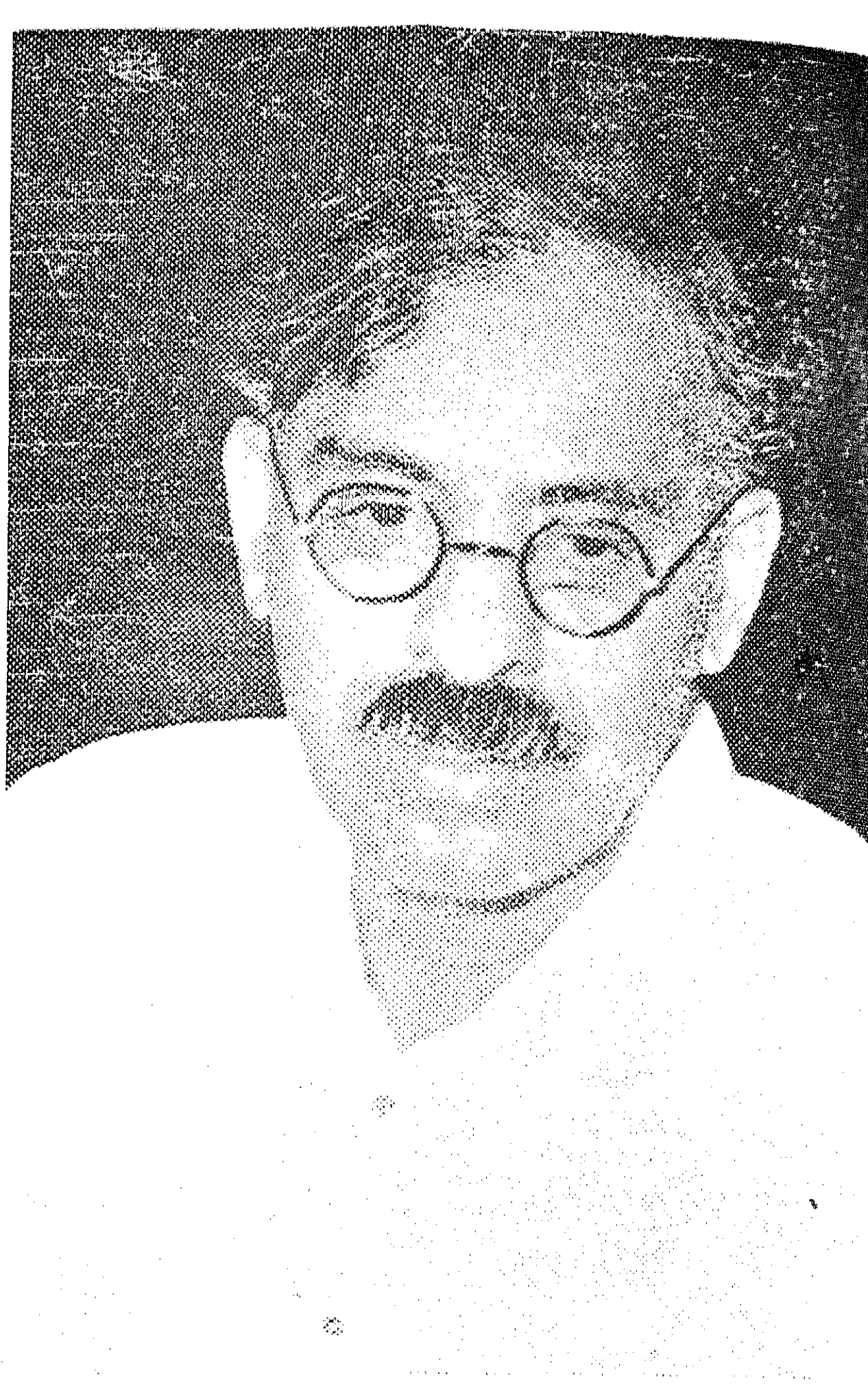
Malaria is one of the major public health problems in the Province. Several new measures have been launched for the prevention and control of malaria. Experiments in regard to the most effective and economic way of using D. D. T. as an insecticide and the prophylactic and curative value of Paludrine as an anti-malarial drug have been carried out. A total provision of Rs. 81,700/- recurring and Rs. 2,700/- non-recurring, has been made in the budget estimate for 1948-49 as against Rs. 59,000/- recurring and Rs. 85,400/- non-recurring made in 1947-48 for anti-malarial measures.

The Government are contemplating several schemes for the extension of the facilities for medical relief in this Province. The scheme for the use of motor transport by hospitals and dispensaries is expected to be introduced in 150 villages during the next five years at the rate of 30 villages per year. The introduction of mobile medical units is also under consideration.





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## EDUCATION.

In July 1947, the Government decided to introduce the reorganised courses of secondary education as an experimental measure in 50 selected schools in the Province consisting of 2 schools in every district, the courses to be selected from being Secretarial, Engineering, Agriculture, Drawing, Photography, Domestic Science, Music and Dance. The Schools proposed were mainly aided secondary schools. The Government promised to bear  $\frac{3}{4}$  of the annual recurring net cost of the introduction of the courses subject to a maximum of Rs. 1,450/- per school for five years and a non-recurring grant of  $\frac{3}{4}$  of the cost of equipment, subject to a maximum of Rs. 5,700/- per school.

The Government of Madras have sanctioned a scheme for Adult Education in the province, providing for 100 Adult Literacy Schools, six centres to train teachers for these schools, three Government Rural Colleges and recognition of and grant for 20 more such Colleges, to give higher education to illiterate adults, five Social Workers' Training Camps to give training to batches of 30 persons each; and a camp to give 120 persons training in citizenship and leadership of the youth movement. The Adult Literacy Schools will teach adults over a three-year course. The Rural Colleges will impart higher education over a two-year course, the candidates paying a fee of one rupee per month. Six weeks' training will be given in the Social Workers' Training Camps, which will be attached to Social Service institutions. In the first instance, 120 persons will be given training in citizenship, 40 of whom will later organize 8 training courses in different centres. Provision is also made for visual education. Eight projectors and necessary films suitable for exhibition would be bought and kept with the District Educational Officers who would hire them out to Schools.

To encourage the publication of text books in the regional languages official lists of scientific terms in these languages, as approved by the Government, were issued and the grant



of exemptions on the ground of non-availability of text books in the appropriate language has altogether been stopped.

There is a large increase in the number of high and middle schools. The strength of secondary schools rose from 2,34,303 (including 16,494 girls) in 1942 to 3,87,534 (including 28,939 girls) in 1947. For the quinquennium as a whole, the increase was shared by the high schools and middle schools alike.

The number of secondary schools for girls increased rapidly from 103 in 1942 to 181 in 1947. The strength of these schools rose from 29,534 in 1942 to 49,814 in 1946 and to 53,891 in 1947.

It has been estimated that there are 7 million children of school-going age in the Presidency, of which 3 million are now under instruction. The post-war education plan proposed by this Government, aims at introducing compulsory elementary education, so as to bring the remaining 4 million children to school within the period of 10 years. The idea is to make elementary education compulsory up to the 5th standard in the first decade and to extend it up to 8th standard in the following decade.

As a preliminary to the introduction of the scheme of basic education, the Government have introduced a system of training of teachers under the new scheme. Seven basic training schools have been started. Officers are also being deputed to Wardha for training in the principles of basic education. After a sufficient number of teachers are got trained in basic education, basic schools will be started in the Province on a large scale.

### KHADI SCHEME.

The comprehensive Khadi scheme, formulated late in December 1946, was put into operation this year. The intensive part is being worked in 7 selected centres, each having a population of 40,000 to 80,000 where the All-India Spinners'

Association had already done substantial work. In September 1947, the Government decided that the activities of all private dealers and producers of Khadi in the 7 centres and a belt area of 10 miles round each centre, should be eliminated, so that the field may be clear for implementing the Government's Khadi scheme. Lest this decision should adversely affect the private dealers and producers of Khadi, they had been given time upto February 1948 to wind up their business. The Government have also decided that the distribution of mill cloth in four out of the seven intensive khadi centres should be stopped and that ration cards for mill yarn issued to handlooms in all the seven centres and also the number of handloom cloth shops in those areas should gradually be reduced. The Government have also issued orders that Government departments should use Khadi cloth as far as possible for uniforms of Government servants and for all their other requirements of cloth.

## ELECTRIC POWER.

With the end of the war and the gradual relaxation of the restrictions on power supply, a very large demand for power has arisen. Further, on account of the great dearth of cattle for draught purposes and their high prices, an enormous demand for electric power for well-irrigation is being made. To meet this situation the schemes for power expansion which were kept in abeyance during the war have been taken up, new schemes have been formulated and a 5 year plan to double the generating capacity in the province has been programmed. The Government proposes to spend Rs. 15 crores on these schemes. The work on 9 schemes which had been sanctioned prior to the formation of the Congress Ministry is now in progress. After the formation of the Congress Ministry, 11 new schemes at an estimated cost of Rs. 450 lakhs have been sanctioned.

The Madras Electric Supply Corporation which was the biggest licensee operating in the Province and supplying

electricity to the city of Madras and its suburbs, was acquired by the Government in August 1947 on the expiry of its licence.

## RURAL DEVELOPMENT SCHEMES

In pursuance of their policy of improving rural conditions, the Government have selected 34 firkas and centres in the Presidency for carrying on intensive rural reconstruction work. To start with, it is the intention of the Government to make each selected firka and centre self-sufficient in the matter of food and clothing and other necessities of life. It has also been decided to revive or develop village industries essential for the life of village communities. The revised scheme for Firka Development, sanctioned by the Government, makes it the most outstanding of its kind in the whole country, not only in respect of the area to be brought under it but also in respect of the methods through which it is proposed to execute it.

The Government have directed that a sum of Rs. 6 lakhs be set apart from the Special Fund for Village Reconstruction and Harijan Uplift, for payment of grants-in-aid to non-official institutions in this province, which are at present engaged in rural reconstruction work, and are unable to continue their work for want of adequate finance.

The grants will be given for any of the following purposes:—(1) Erection, enlargement of buildings and hostels or boarding houses for trainees attached to the institutions; (2) Purchase of books required for the institutions; (3) Training of Rural Workers; (4) Purchase of implement required for the promotion of agriculture and cottage industries, such as, the implements required for carding, spinning, weaving, ginning, bee-keeping, jaggery-making and the allied industries, and (5) any other item of expenditure for which the private institution is not able to find the necessary finance. Grants will be restricted to fifty percent of the total expenditure.

## NATIONALISATION OF MOTOR TRANSPORT

A big step towards the nationalisation of public utilities was taken when the Government introduced the scheme for



nationalisation, during the year under report, of motor transport in the Province. Under the new scheme, the Provincial Government will hold 51 percent of the shares in the bus services and 14 percent will be given to private operators. Railway and local bodies will also be allotted shares in the transport services. Passenger bus services will be nationalised first and, at a later stage, the lorry services. The question whether the taxi service should also be nationalised has been deferred. A start has been made with the Madras City where the scheme was initiated in October 1947. The total number of buses on roads in the City was 144 in January 1948. Additional buses are being put on the roads as and when new vehicles, for which orders have been placed, become available. It is anticipated that the scheme of nationalising the bus services in the Madras City will be completed by May 1948.

## THE HOUSING PROBLEM.

The fall of Burma witnessed a large scale exodus of the civil population to provinces in India and the Province of Madras was one of the worst sufferers on this account. Evacuees from Rangoon and Singapore settled in the City of Madras and the mofussil in very large numbers, with the result that the housing accommodation in both the city and the mofussil was found to be inadequate to meet requirements. The shortage of housing accommodation has assumed serious proportions and the Government have been devoting special attention to finding ways and means to solve the problem. A scheme of building expansion both in the city and the mofussil has been drawn up and put into operation in the city. To relieve immediately the shortage of housing accommodation in the city of Madras, the Government have constituted a new Cooperative House Construction Society Limited, which would undertake the acquisition of house sites and the construction of dwelling houses thereon for its members with its own share capital and loans obtained from Government. The houses so constructed will be sold to members with the sites.

## REHABILITATION OF REFUGEES

The Government of Madras have agreed to receive about 10,000 refugees from the distressed areas in the Punjab, North-West Frontier and Pakistan, and to accommodate them here until conditions in the North are eased. They have placed the Special Officer and Protector of Emigrants in general charge of the arrangements for the reception of the refugees with a Deputy Collector to assist him. An influential committee of non-officials with the Sheriff of Madras as Chairman has been formed to collect funds. From January 1948, the Refugee Relief Committee has been entrusted with the management of the camps, three of which have been opened, while the official agency confines itself to the issue of ration allowance and clothing. The refugees are being given ration allowances according to the rates prescribed by the Government of India. This is augmented by an additional payment made by the Refugee Relief Committee from its own funds. Clothes are also supplied free to refugees on the scales prescribed by the Government of India. The Government of Madras have contributed a sum of Rs. 1 lakh towards the relief of refugees from Pakistan. Expenditure over and above this is borne by the Government of India. Upto 1st May, 1948, 2075 refugees from Pakistan have been entertained in the three camps.

Owing to the unsettled conditions in the Hyderabad State, there, has been an influx of refugees from the State into the districts belonging to the Indian Union, bordering it. Every possible assistance is being rendered to them by the Government. The Government have sanctioned a sum of Rs. 1 lakh to meet the initial expenditure on relief to the refugees from Hyderabad.

## HARIJAN WELFARE

All social disabilities under which the Harijans were suffering previously have been removed with the passing of the Madras Civil Disabilities Act and the Madras Temple Entry Authorisation Act. These Acts came into force on the 2nd

June 1947. Any discrimination against Harijans in temples or public places has been made a penal offence. The Harijans children have now equal rights of admission into all educational institutions. With effect from the academic year 1947-48, 10 per cent of seats in all secondary training schools, Government Arts and Training Colleges and the Law College have been reserved for Harijans. 10 per cent of seats in students' hostels have also been reserved for Harijan students.

Special schools to meet the needs of Harijans have been opened in select localities. By the end of March 1947, 1,148 schools were functioning giving instruction to 77,674 children of whom 27,136 were girls. Free mid-day meals were supplied to children of the eligible communities in all these schools. The expenditure on this item in 1946-47 was Rs. 10,50,222/-.

The ratio of communal representation in Government service has also been recently altered, so as to give greater representation to Harijans. While under the previous allocation Harijans were getting one out of every 12 vacancies, they will, under the present system, get two out of 14.

A scheme for the colonisation and general uplift of Harijans is under the consideration of the Government. A sum of Rs. 1 crore has been ear-marked for expenditure on this scheme. Under this scheme, it is proposed to build houses for Harijans to enable them to live side by side with caste Hindus, Muslims and others and to maintain the same standard of living.

A Harijans Welfare Committee was appointed by Government to formulate a 5 year plan for Harijan welfare on the lines indicated above. The report submitted by this committee is now under the consideration of the Government.

## PROHIBITION.

By far the most outstanding achievement of the Ministry was the extension in October 1947, of prohibition to eight more districts in the province, in addition to the eight districts declared 'dry' already. The districts in which all alcoholic drugs





**Shri H. Sitarama Reddy**



**Shri V. Kurmayya**



**Shri A. B. Shetty**



**Shri Kala Venkata Rao**



**Shri K. Chandramouli**



**Shri M. Bhaktavatsalam**



have been prohibited with effect from October 1st 1947, are Guntur, Nellore, Tanjore, Trichinopoly, Madura, Malabar, South Kanara and Nilgiris. The Prohibition Day in these districts was inaugurated by the Hon'ble Ministers amidst scenes of unprecedented enthusiasm. Realising that the enforcement of prohibition involves the changing of the habits of a large section of the people, Government have made arrangements in those districts for propoganda and ameliorative work among the ex-addicts. As the ultimate object of prohibition is to promote the well-being of the poorer classes, full use is made of the opportunity for organizing rural uplift work. Government have also taken steps to absorb the tappers thrown out of employment consequent on the introduction of prohibition in alternative occupations.

To safeguard against the illicit inflow of liquor and drugs from the adjoining wet districts into the dry areas of the province a five mile dry belt was created in the 'Wet' districts adjoining the dry ones. With a view to enlist the co-operation of the Indian States and French establishments, bordering the province a conference was convened by the Hon'ble Minister for prohibition in September 1947 in which assurances of cooperation were given by the representatives of the other States. On the representations made by this Government, the French authorities have introduced prohibition in Mahe and Karaikal, which adjoin the dry districts of this province. Active steps are being taken by the preventive staff to prevent illicit distillation and allied crimes. Border and coastal patrols have been employed to check smuggling. To check the consumption of liquor by addicts in the dry areas and to prevent their going to the adjoining wet areas to drink, the Prohibition Act has been amended recently to make drunkenness an offence. The Prohibition Act contains provisions creating a statutory obligation on certain classes of persons to cooperate with the enforcement staff. The Act also provides for the establishment of Prohibition Committees.



In the 16 districts in which prohibition has already been introduced, the Government have foregone excise revenue amounting to Rs. 9.75 crores. When prohibition was extended to the other 8 districts in October, a further amount of Rs. 6.7 crores has been given up. Nevertheless, the Madras Government will now have the credit of being the first Provincial Government in the country to go in for province-wide prohibition. Besides loss of revenue, the Government are incurring additional expenditure for maintaining the enforcement and ameliorative staff.

## IRRIGATION

With the object of increasing food production, different irrigation programmes have been drawn up or are being drawn up. They are: (1) the five year Grow More Food programme for 1947-48 to 1951-52; (2) the five year Post-War Plan 1947-48 to 1951-52; and (3) the 10 year programme.

*Programme No. 1:* In addition to certain Grow More Food works sanctioned prior to 1947-48 this Government have under consideration, a five year Grow More Food programme of small irrigation works, these being taken to be the works which cost Rs. 20 lakhs or less and which are capable of producing quick results. The programme consists of 298 irrigation schemes at a total estimated cost of Rs. 5 crores, to bring under cultivation an additional area of about 2,50,000 acres.

*Programme No. 2:* This is a long term plan which includes major irrigation works, which will take considerable time for execution and results from which can be expected only after some time. The more important among them are the Thungabadhra Project, now actually under execution and expected to be completed by 1951, the lower Bhavani Project, Rallapada Reservoir Project, Gandikota Project, Vaigai Reservoir Scheme, Karpuzha Project, Manimuthar Scheme and the Ramapada Project. The last mentioned one is considered to be of importance and is expected to help produce an million tons of rice.

*Programme No. 3:* A programme, consisting of short term, middle term and long term plans, covering a period of 10 years, is also under consideration.

In order to afford increased opportunities of consultation between officers and the ryots, half-yearly District Irrigation Conferences are held in all Districts and are attended by six representatives of ryots, in addition to officials.

## AGRARIAN REFORMS

Legislation for the abolition of all zamindari and inams has been introduced in the Assembly. The pivotal feature of the legislation is the compulsory elimination of all categories of intermediaries between the State and the Pattadars through acquisition of their rights in land by the State. All inam lands will be treated in the same way as the other estates. An equitable scale of compensation is proposed to be adopted. This bill was referred to a Select Committee, which has concluded its preliminary examination of the draft bill. It is now before the legislature again.

The Madras Estates Land (Reduction of Rent) Act, recently passed by the Legislature provides for the reduction of rents payable by ryots in estates governed by the Madras Estates Land Act 1908 approximately to the level of the assessments levied on lands in ryotwari areas in the neighbourhood. Legislation, prohibiting the alienation of forest or communal lands by the zamindars, has also been passed.

## AMENITIES TO POLITICAL SUFFERERS

Orders have been issued for the grant of lands upto 5 acres per head to political sufferers. Each political sufferer will be assigned 5 acres of wet land or its equivalent. The land will be free of market value, but should not be sold, mortgaged or alienated within a period of 10 years. Families of those who died in the course of participation in the political movements will so be eligible for the grant. Village Officers, who have been removed from service for participation in Civil Disobedience

movements, have been reinstated. District Committees of non-officials, with Collectors as Chairmen, have been appointed to scrutinize the applications for grant and make recommendation to the Government.

## OFFICIAL CORRESPONDENCE IN REGIONAL LANGUAGE

The Government have been considering the question whether all official proceedings and correspondence within the districts should be conducted in the regional language of the district concerned, the correspondence with the Government being carried on as usual in English. They have issued an order on April 7th, 1948 directing that this experiment in the change of language should first be tried on Tiruchirapalli and East Godavari Districts from 1st May 1948 for a period of 6 months. This decision applies to the local bodies in these districts also but not to courts.

### THE MADRAS CABINET

Sri O. P. Ramaswami Reddiar,  
Premier

HINDU RELIGIOUS ENDOWMENTS,  
HOME, LEGISLATION.

Dr. T. S. S. Rajan  
Sri M. Bhaktavatsalam

FOOD.  
PUBLIC WORKS, INFORMATION AND  
BROADCASTING, PROHIBITION.

Sri B. Gopala Reddi  
Mr. Gurupadham

FINANCE.  
PROHIBITION AND FIRKA  
DEVELOPMENT.

Sri H. Sitarama Reddi  
Sri K. Chandramouli

INDUSTRIES AND LABOUR.  
LOCAL ADMINISTRATION AND CO-  
OPERATION.

Sri T. S. Avinasalingam Chettiyar  
Sri K. Madhava Menon

EDUCATION.  
AGRICULTURE, FORESTS, VETERI-  
NARY AND PRISONS.

Sri Kala Venkata Rao  
Sri A. B. Shetty  
Sri V. Kurmayya

REVENUE.  
PUBLIC HEALTH AND MEDICINE.  
HARIJAN UPLIFT, FISHERIES, AND  
RURAL DEVELOPMENT.



## APPENDIX

### THE MADRAS BUDGET

The annual financial statements of Madras show a remarkable tendency of balancing the Revenue and Expenditure charged to Revenue. For instance, the accounts for 1945-46 reveals a surplus of only Rs. 15,000 and that of 1946-47 a surplus of Rs. 65,000. The Revised Estimate for 1947-48 puts the surplus at Rs. 40,000 and the Budget Estimate for 1948-49 estimates the surplus at Rs. 71,000. It is because of the presence of a Revenue Reserve Fund in the province which acts as a buffer that the ordinary accounts are shown as evenly balanced. In the Revised Estimate for 1947-48 there was a transfer to this Fund of the order of Rs. 255 lakhs while in the Budget for 1948-49 but for the withdrawal from this Fund, there would have been a deficit of Rs. 562 lakhs - not a low figure.

The Revenue Receipts for the Budget year (1948-49) are estimated at Rs. 5,594.31 lakhs as against Rs. 5,519.17 lakhs in Revised Estimate for 1947-48 while the corresponding expenditure is estimated at Rs. 5,593.60 lakhs and Rs. 5,518.77 lakhs. But there are wide changes as regards details in both the items. On the Revenue side, Rs. 50 lakhs have been provided for remissions of land revenue, and the loss in Revenue due to the extension of the policy of prohibition has been estimated at Rs. 384 lakhs excluding a sum of Rs. 18 lakhs on enforcement. On the other hand, an increase of Rs. 375 lakhs and Rs. 30 lakhs is anticipated as a consequence of the changes made in General Sales Tax and Entertainment Tax respectively from 1st January, 1948. Also credit has been taken for a block grant of Rs. 400 lakhs from the Central Government for Post-war Development schemes.

On the expenditure side, the expenditure on education anticipates an increase from Rs. 726.87 lakhs in R. E. for 1947-48 to Rs. 820.43 lakhs in B. E. for 1948-49; on Medical from Rs. 234.54 lakhs to Rs. 250.88 lakhs; on Veterinary from Rs. 33.07 lakhs to Rs. 37.74 lakhs and on Industries and Supplies including expenditure on Fisheries and Cinchona from Rs. 129.34 lakhs to Rs. 157.83 lakhs while the expenditure on Public Health shows a decrease from Rs. 191.61 lakhs to Rs. 82.83 lakhs; on Agriculture from Rs. 218.45 lakhs to Rs. 168.82 lakhs and on Cooperation from Rs. 45.67 lakhs to Rs. 37.95 lakhs. The expenditure on Irrigation, Civil works, etc., charged to Revenue shows also an increase from a total of Rs. 879.15 lakhs to Rs. 1,005.07 lakhs and the Revenue Reserve Fund had to be heavily drawn upon to meet this huge increase in expenditure.

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*Programme No. 1:* In addition to certain Grow More Food works sanctioned prior to 1947-48 this Government have under consideration, a five year Grow More Food programme of small irrigation works, these being taken to be the works which cost Rs. 20 lakhs or less and which are capable of producing quick results. The programme consists of 298 irrigation schemes at a total estimated cost of Rs. 5 crores, to bring under cultivation an additional area of about 2,50,000 acres.

*Programme No. 2:* This is a long term plan which includes major irrigation works, which will take considerable time for execution and results from which can be expected only after some time. The more important among them are the Thungabadhra Project, now actually under execution and expected to be completed by 1951, the lower Bhavani Project, Rallapad Reservoir Project, Gandikota Project, Vaigai Reservoir Scheme, Malampuzha Project, Manimuthar Scheme and the Ramapada-sagar Project. The last mentioned one is considered to be of all-India importance and is expected to help produce an additional one million tons of rice.

*Programme No. 3:* A programme, consisting of short term, middle term and long term plans, covering a period of 10 years, is also under consideration.

In order to afford increased opportunities of consultation between officers and the ryots, half-yearly District Irrigation Conferences are held in all Districts and are attended by six representatives of ryots, in addition to officials.

## AGRARIAN REFORMS

Legislation for the abolition of all zamindari and inams has been introduced in the Assembly. The pivotal feature of the legislation is the compulsory elimination of all categories of intermediaries between the State and the Pattadars through acquisition of their rights in land by the State. All inam lands will be treated in the same way as the other estates. An equitable scale of compensation is proposed to be adopted. This bill was referred to a Select Committee, which has concluded its preliminary examination of the draft bill. It is now before the legislature again.

The Madras Estates Land (Reduction of Rent) Act, recently passed by the Legislature provides for the reduction of rents payable by ryots in estates governed by the Madras Estates Land Act 1908 approximately to the level of the assessments levied on lands in ryotwari areas in the neighbourhood. Legislation, prohibiting the alienation of forest or communal lands by the zamindars, has also been passed.

## AMENITIES TO POLITICAL SUFFERERS

Orders have been issued for the grant of lands upto 5 acres per head to political sufferers. Each political sufferer will be assigned 5 acres of wet land or its equivalent. The land will be free of market value, but should not be sold, mortgaged or alienated within a period of 10 years. Families of those who died in the course of participation in the political movements will so be eligible for the grant. Village Officers, who have been removed from service for participation in Civil Disobedience



movements, have been reinstated. District Committees of non-officials, with Collectors as Chairmen, have been appointed to scrutinize the applications for grant and make recommendation to the Government.

## OFFICIAL CORRESPONDENCE IN REGIONAL LANGUAGE

The Government have been considering the question whether all official proceedings and correspondence within the districts should be conducted in the regional language of the district concerned, the correspondence with the Government being carried on as usual in English. They have issued an order on April 7th, 1948 directing that this experiment in the change of language should first be tried on Tiruchirapalli and East Godavari Districts from 1st May 1948 for a period of 6 months. This decision applies to the local bodies in these districts also but not to courts.

### THE MADRAS CABINET

Sri O. P. Ramaswami Reddiar,  
Premier

HINDU RELIGIOUS ENDOWMENTS,  
HOME, LEGISLATION.

Dr. T. S. S. Rajan

FOOD.

Sri M. Bhaktavatsalam

PUBLIC WORKS, INFORMATION AND  
BROADCASTING, PROHIBITION.

Sri B. Gopala Reddi

FINANCE.

Mr. Gurupadham

PROHIBITION AND FIRKA  
DEVELOPMENT.

Sri H. Sitarama Reddi

INDUSTRIES AND LABOUR.

Sri K. Chandramouli

LOCAL ADMINISTRATION AND CO-  
OPERATION.

Sri T. S. Avinasalingam Chettiyar

EDUCATION.

Sri K. Madhava Menon

AGRICULTURE, FORESTS, VETERI-  
NARY AND PRISONS.

Sri Kala Venkata Rao

REVENUE.

Sri A. B. Shetty

PUBLIC HEALTH AND MEDICINE.

Sri V. Kurmayya

HARIJAN UPLIFT, FISHERIES, AND  
RURAL DEVELOPMENT.

# APPENDIX

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## THE MADRAS BUDGET

The annual financial statements of Madras show a remarkable tendency of balancing the Revenue and Expenditure charged to Revenue. For instance, the accounts for 1945-46 reveals a surplus of only Rs. 15,000 and that of 1946-47 a surplus of Rs. 65,000. The Revised Estimate for 1947-48 puts the surplus at Rs. 40,000 and the Budget Estimate for 1948-49 estimates the surplus at Rs. 71,000. It is because of the presence of a Revenue Reserve Fund in the province which acts as a buffer that the ordinary accounts are shown as evenly balanced. In the Revised Estimate for 1947-48 there was a transfer to this Fund of the order of Rs. 255 lakhs while in the Budget for 1948-49 but for the withdrawal from this Fund, there would have been a deficit of Rs. 562 lakhs - not a low figure.

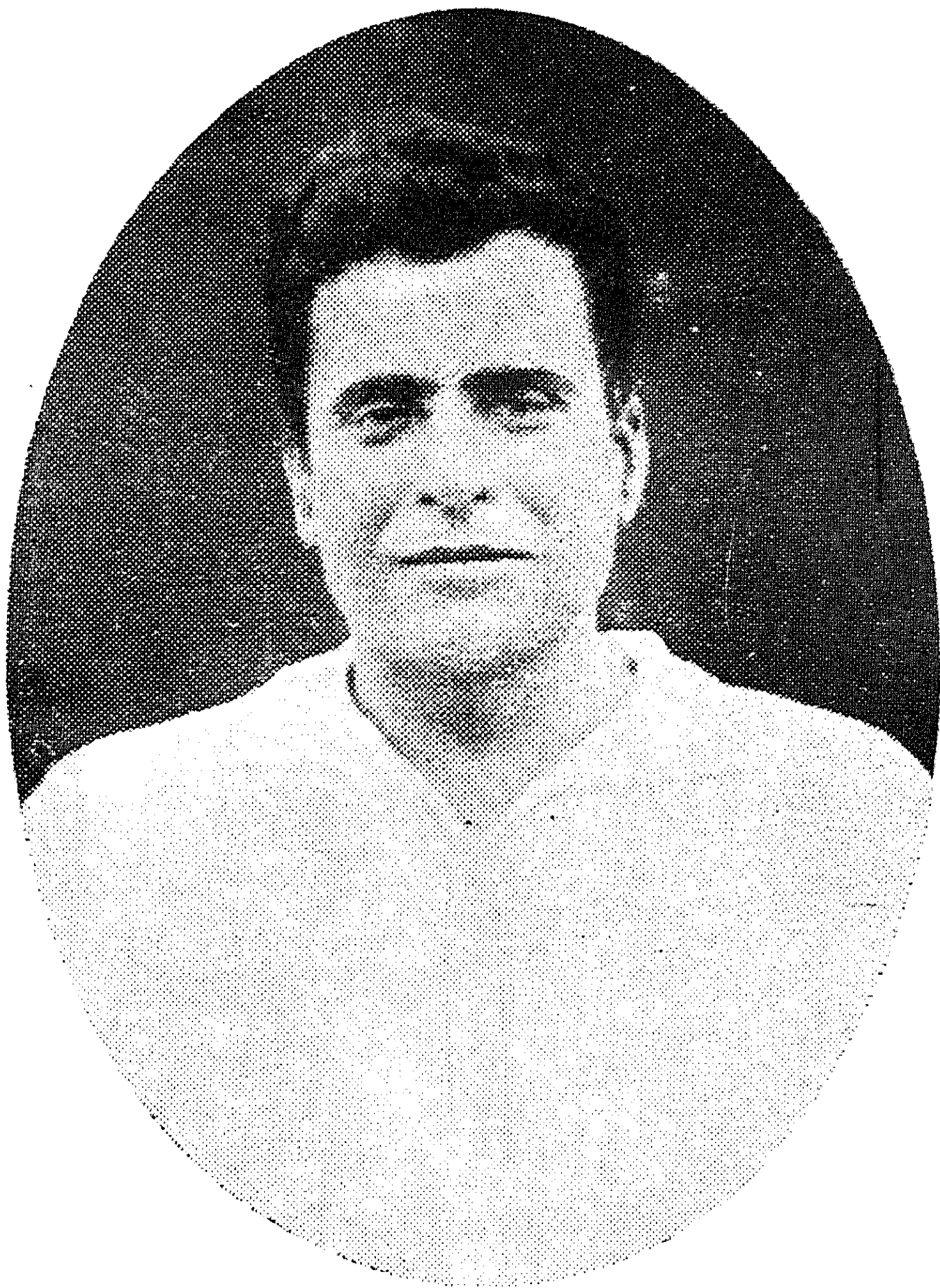
The Revenue Receipts for the Budget year (1948-49) are estimated at Rs. 5,594.31 lakhs as against Rs. 5,519.17 lakhs in Revised Estimate for 1947-48 while the corresponding expenditure is estimated at Rs. 5,593.60 lakhs and Rs. 5,518.77 lakhs. But there are wide changes as regards details in both the items. On the Revenue side, Rs. 50 lakhs have been provided for remissions of land revenue, and the loss in Revenue due to the extension of the policy of prohibition has been estimated at Rs. 384 lakhs excluding a sum of Rs. 18 lakhs on enforcement. On the other hand, an increase of Rs. 375 lakhs and Rs. 30 lakhs is anticipated as a consequence of the changes made in General Sales Tax and Entertainment Tax respectively from 1st January, 1948. Also credit has been taken for a block grant of Rs. 400 lakhs from the Central Government for Post-war Development schemes.

On the expenditure side, the expenditure on education anticipates an increase from Rs. 726.87 lakhs in R. E. for 1947-48 to Rs. 820.43 lakhs in B. E. for 1948-49; on Medical from Rs. 234.54 lakhs to Rs. 250.88 lakhs; on Veterinary from Rs. 33.07 lakhs to Rs. 37.74 lakhs and on Industries and Supplies including expenditure on Fisheries and Cinchona from Rs. 129.34 lakhs to Rs. 157.83 lakhs while the expenditure on Public Health shows a decrease from Rs. 191.61 lakhs to Rs. 82.83 lakhs; on Agriculture from Rs. 218.45 lakhs to Rs. 168.82 lakhs and on Cooperation from Rs. 45.67 lakhs to Rs. 37.95 lakhs. The expenditure on Irrigation, Civil works, etc., charged to Revenue shows also an increase from a total of Rs. 879.15 lakhs to Rs. 1,005.07 lakhs and the Revenue Reserve Fund had to be heavily drawn upon to meet this huge increase in expenditure.





## *A Message from the Hon'ble Premier, Orissa :*



Your publication ONE YEAR OF FREEDOM will certainly be a work of great interest not only to India but to the entire world. I do not think in the history of nations any other country was ever faced with such great difficulties as India just after freedom was attained. I do not think in history there is a parallel to the ability and fortitude which India has shown in order to surmount the difficulties facing her. Besides surmounting difficulties; one year's achievement is not inconsiderable in India. Various projects intended

to change the face of provinces have been undertaken and various steps have been taken to correct the past wrongs and also to strike new lines of approach. These will bear fruit in course of time and in a few years the world will realise what a tremendous stride India has made during the first year of her freedom.

*Harekrishna Mahtab.*



# ORISSA



## INTRODUCTION

SINCE April, 1, 1936, Orissa has remained as a separate province. Situated on the eastern coast of India below the Gangetic delta and bordering on the Bay of Bengal, it has an area of about 32,198 sq. miles and has

a population of over 8.7 millions.

Orissa has a unicameral Legislature consisting of 60 members. The Congress Party has formed the Cabinet.

The Budget for 1948-49 showed a deficit of Rs. 69.6 lakhs, the total estimated revenue being Rs. 681.55 lakhs, and the estimated expenditure Rs. 751.15 lakhs. New expenditure in 1948-49 would amount to Rs. 277 lakhs including Rs. 18 lakhs for post-war development schemes. The Budget contains a provision of Rs. 30 lakhs for the new capital at Bhubaneswar. Of the total revenue of Rs. 6.81 crores, Rs. 3.83 crores is attributable to Central sources. It may be noted that the Province's share from income-tax had been increased from 2 per cent to 3 per cent.

## FOOD

Orissa has been rather lucky in the matter of food. The Government of Orissa have exercised such control over the procurement and distribution of food that the province has been in the proud position of being able to help the Government of India with timely supplies of rice when all other sources of supply had dried up.



The Government of India have established a Central Rice Research Institute to intensify research in rice in this predominantly rice growing province. There are besides 8 experimental farms, 3 botanical research stations, 2 exploratory tobacco research stations, 1 turmeric research station, 1 citrus research stations etc. At present about 20 varieties of paddy, 8 varieties of sugarcane and 2 varieties of jute evolved and tasted in these institutions are replacing the local and indigenous types. Many new types of exotic fruits and vegetables have become popular through practical demonstration of seeds, seedlings and grafts from these farms. A definite increase in the acre yield of sugarcane has been obtained by the biological control of stem borers through release of parasites. Demonstration farms are worked in the villages in cultivators' own lands to show them the best methods of utilising their lands. At present there are 35 farms. 51 farms will be worked from 1949 onwards. Special attention has been given to work in Agricultural farms etc. in the agency areas where aborigines are predominant.

There has been a gradual increase in the area under cultivation and production of foodgrains. Single-crop lands have been brought under double crop. Production from lands have been improved by giving improved seeds. Manures have been supplied by giving ammonium sulphate, oilcakes and compost. Minor irrigation projects were taken up and worked so as to irrigate more areas which could thus be brought under cultivation. Four projects to irrigate 1,088 acres have been completed, and 20 projects have been taken up which would shortly cover an area of 61,033 acres. Government are investigating projects in order to irrigate about one lakh of acres more. Loans and subsidies were given to induce the small cultivator to improve irrigation wells and tanks on his own lands. Some landlords have also taken up irrigation works at the instance of Government. The use of improved agricultural implements and mechanical tractors is being popularised by getting tractors on behalf of Government and hiring them to cultivators. As a result of all these measures in 1946-47, Orissa's effective

export of food against the original expectations of the Government of India, was by far the highest in percentage and probably also in volume in the whole country.

## HEALTH.

The local bodies in the province not being able to maintain an efficient health staff to deal efficiently with public health measures due to lack of adequate financial resources, Government have from 1st February 1947 provincialised the health staff of the local bodies and have provided additional staff where necessary, on the basis of population. The scheme has been sanctioned at a recurring and non-recurring cost of Rs. 2,04,776/- and Rs. 1,800/- respectively.

Expansion of the Provincial Malaria Unit and establishment of two Malaria Control Units at Cuttack and Koraput were undertaken in order to carry out anti-malaria drive on a more intensive scale. Funds have been provided to establish a Control Unit in the remaining four districts.

Government have sanctioned six Mobile Field Hygiene Units — one at each of the district headquarters of the province at a total recurring and non-recurring cost of Rs. 29,4-8/- and Rs. 72,000/- respectively in order to take prompt and timely measures to deal with any epidemic situation in the quickest possible time.

The equipments and stores of hospitals and dispensaries in the province were considerably improved during the last year as a result of new purchases. Four High class X-ray apparatus equipments have been installed in the headquarters hospitals at Berahampur, Balasore, Puri and Cuttack; two air-conditioning plants were purchased; a large quantity of bedding, clothing, medical stores and high class equipments were purchased for renovation and replenishment of the stock in the different hospitals, and a total quantity of 500 mgm. radium was obtained for the Orissa Medical College Hospital. For these purposes a special grant of Rs. 157,500/- was sanctioned during the current

year. Another special grant of Rs. 20,000/- was sanctioned during the year for the purchase of arsenical preparations required for the treatment of diseases.

In order to encourage the indigenous system of medicines Government sanctioned the opening of 12 subsidised Ayurvedic dispensaries at an annual cost of Rs. 7,200/- and 4 dispensaries have already been opened. Government have also recognised the Unani system of medicine.

A simpler and less expensive method of administering simple remedies for the aboriginies of Ganjam and Koraput has been devised. Five school teachers in each of the said districts were given training in elementary medical service for minor ailments in small areas around their schools with a small stock of medicine and equipment at their disposal. A grant of Rs. 2,200/- per annum was sanctioned for the purpose; and the scheme is working satisfactorily.

A total grant of Rs. 57,300/- was sanctioned for anti-leprosy activities. Seven model leprosy colonies have been established in rural areas for segregation of lepers.

There was only, one Provincial Tuberculosis Clinic in the Province until recently. Five more clinics with provision for six observation beds have been started in the headquarters hospitals in the districts at a total estimated cost of Rs. 1,81,250/-. The establishment of a T. B. Hospital for the Province is well under way.

Six Maternity and Child-welfare Centres and eight Maternity Centres continued to carry on their activities satisfactorily in both urban and rural areas in the province. A new building at a cost of Rs. 50,000/- was constructed for the Sambalpur Centre, a maternity ward was constructed at the Government Hospital, Chatrapur at a cost of Rs. 14,000/- and a similar ward was constructed at the Government Hospital, Russelkonda at a cost of Rs. 10,000/-. All the Maternity and Child-welfare centres are run by local enterprises,



and Government paid Rs. 3,740/- besides meeting the pay and allowances of the Health Visitors and Maternity Supervisors.

## EDUCATION.

The Orissa Government have widened its field of educational activities to a considerable extent. There were three first grade, six second grade arts colleges and one training college in 1945-46. Five of the second grade colleges were raised to the degree status in 1946-47 and a new second grade college was started. In 1947-48 another second grade government college has been started — thus raising the total number of colleges to twelve. A wireless Training Class has been opened in the Ravenshaw College during the year.

The status of 19 middle schools and 15 Primary schools was raised to that of high school and middle school standards respectively in 1946-47. 139 new primary schools have been opened in partially excluded areas during the last two years. The buildings and equipment of some of the existing primary schools have been improved with the help of Government grants. The pay of primary school teachers has been increased.

The post of an Organiser of Basic Education has been created and a Board of Basic Education has been constituted. Two basic training schools were started this year and two more will be started in the coming year. Financial aid is being given to 10 recognised basic schools.

The teaching of Hindustani has been made compulsory in the lower classes of high schools; it is proposed to make it compulsory in the two top classes from 1949.

Education for girls at all stages is free except that wards and daughters of guardians or parents who are assessed to income tax reading in class VIII and above are required to pay half fees. Harijan boys and girls are allowed to read in schools and colleges in the province without payment of fees. Separate

hostels for Harijan students have been abolished and preferential treatment is accorded to them in respect of accommodation in common hostels. Harijan students residing in hostels are given stipends at the rate of Rs. 30/-, Rs. 25/- and Rs. 20/- each a month for college, high school and middle school education respectively in urban areas. In rural areas, the value of these stipends is reduced by Rs. 5/- in each case. Day scholars are given an annual grant of Rs. 60/-, Rs. 50/- and Rs. 40/- in respect of college, high school and middle school education respectively to enable them to purchase books, stationary, etc. Due to the high cost of living, Government have sanctioned dearness allowance to all the teachers and employees of aided educational institutions as a measure of interim relief.

## INDUSTRY.

The Department of industries was reorganised last year to deal with :- (1) Industrial Planning, (2) Industries—both Cottage & Heavy, (3) Inspection of Factories, (4) Commissioner-ship of Labour, and (5) Fisheries.

The Department of Industries looks after technical education, hand-spinning and handloom weaving, leather-tanning and shoe-making, and cottage industries as carpentry, cane-work, smithy, tile-making, oil ghannies, mat and basket-making, toy-making, iron-work, filigree work, brass-ware, soap making, hand-made paper pottery etc.

Well qualified graduates are being sent out to different engineering institutions in India, and some for foreign training. The Orissa school of Engineering was reorganised to give mechanical and electrical training in addition to civil sections. A new industrial school was opened at Sambalpur and arrangements have been made to open one in Rayaghada. It is intended to establish two Industrial Schools every year, one in each District headquarters and a few in the backward areas, for the training of the aboriginal tribes. In addition state-aid is being given to some of the private technical institutions. The scheme for establishing a Technological Institute in Cuttack

has been sanctioned. It is proposed to display all the arts and crafts of Orissa in a show room of this Institute. As regards cottage industries, the Orissa Textile marketing Organisation has been reorganised and its activities expanded. This has helped the local handloom weavers considerably.

During the year a scheme for the development of hand-spinning and weaving has been sanctioned and put into effect. Every effort is being made to develop this scheme all over the province as rapidly as possible. 13 crafts schools have been opened to train boys in different occupations in the rural areas. Immediately after the craftsmen are trained, it is proposed to give them some money for buying their equipment and start their own enterprises.

Facilities are being given for developing oil ghannies, soap-making, tile-making, handpaper-making, mat and basket making etc. A few bucket-manufacturing concerns and foundries and some umbrella factories have been opened in the province. There are a few hosiery factories also; but they could not be developed further for want of cone yarn. There is a match factory and some saw mills; and arrangements are being made to establish a seasoning kiln with a saw mill to facilitate cabinet-making. The existing glass factory at Barang is being completely renovated. The Orissa Textile Mills aided by Government is programmed to start working before the end of 1948. It contains two units actually one of 19,000 fine spindles and 400 looms and another of 25,000 coarse spindles and 400 looms. Incidentally it may be stated that this will be the first modern textile mill to be established after the War. Licences have been given for three more cotton mills, each having 25,000 spindles and 520 looms. Two sugar mills, each of 800 to 1,000 tons crushing capacity, are allotted to the province, and a license for one has already been given and the party for another is under consideration. One paper and board mill of 10,000 tons has been allotted to the province, and the license for this mill has also been given. Negotiations for the plant are going on with the manufacturers. Messrs.



Titaghur Paper Mills are likely to establish a paper mill in Orissa as there are excellent possibilities of supply of the necessary raw materials ( bamboos ).

This province has sufficient facilities for salt manufacture on a fairly large scale ; and one party has already been given license by the Government of India to start its manufacture in Ganjam district.

It is the policy of the Government to take part in the share capital of industries to be established in the province to the extent possible, and accord necessary facilities to put them up. A Board of Industries has been set up to consider how far state aid should be given to such industries. The Board has already sanctioned payment of state aid of over Rs. 41 lakhs partly as loan and partly by purchase of shares. With the merger of the States, the possibilities of industrial development have increased considerably. An industrial survey of the province is being conducted. The geological survey of India are opening a branch office in Orissa to conduct a detailed survey of the province's mineral resources.

### LOCAL SELF GOVERNMENT.

The Orissa Gram Panchayat Bill has been introduced in the Assembly and has been referred to a Select Committee. The bill seeks to consolidate the existing separate laws governing panchayats and to improve upon it and has been modelled after the United Provinces Gaon Hukumat Act, 1947.

Scarcity of drinking water being a perpetual problem, Government's post-war policy is to provide wells in the rural areas within easy reach of the people. Their scheme is to provide either a deep masonry well or tube well in each of the 5,000 villages during the first five years at an estimated cost of Rs. 50 lakhs. There are water works now at Puri and Berhampur. Government intend to provide protected water supply in other municipal towns also. The water supply scheme for Cuttack town has been taken up first.

Financial assistance to local bodies to make up the war time neglect of roads and buildings is being given as a post war measure. For the year 1947-48 Rs. 89,000 have been sanctioned for Cuttack Municipality which is under Government control for improving its main roads.

A grant of Rs. 8 lakhs has been distributed to all the eight municipalities of the Province for construction of 800 sets of quarters for municipal sweepers. The Provincial Government have adopted a scheme of mechanising the conservancy service in all municipalities. Government have sanctioned a scheme to allow the low paid menial staff of municipalities to purchase rice at concession rates.

## DEVELOPMENT OF RESOURCES.

The Planning and Reconstruction Department was created in November 1944. The first step taken by it was the preparation of a five year plan for the province, covering 24 subjects of development. This plan was estimated to cost Rs. 38 crores during the five year period beginning from 1947-48. Out of this the Government of India have agreed to bear 9.9 crores of rupees, the balance being financed partly from provincial revenues and partly by borrowing. Before the main plan could be launched, an Interim Plan, containing preparatory schemes was framed for the year 1946-47 and a grant of Rs. 1 crore was secured from the Centre for its execution. The Provincial Government were able to spend Rs. 83 lakhs only out of this grant due to short supply of building and road construction materials and want of technical personnel.

## THE COOPERATIVE MOVEMENT

During the last two years, the Cooperative Movement has made steady progress in Orissa. The province had so long been without an apex bank to administer cooperative finance. A Provincial Cooperative Bank has been recently registered for this purpose. Greater attention is being paid to agricultural marketing societies whose membership increased by 13 per cent while the volume of business increased by 62 per cent. The

Weavers' Cooperative Societies are steadily increasing in number, and their volume of business has increased by 40 per cent during the period. Fabrics produced by them contain some unique artistic patterns which are deservedly winning high appreciation. A beginning has been made in organising multi-purpose cooperative societies among backward classes.

## VETERINARY SERVICES

Till 1942 the Veterinary Department was concerned mainly with the control of animal diseases by preventive and curative methods. There has since been an important addition, viz. the development of animal husbandry with the definite aim of improving the livestock wealth of the province. There are 24 touring veterinary dispensaries and 7 stationary veterinary hospitals in the province, and 34 more dispensaries would be opened. An important development has been the taking over by government of the existing veterinary dispensaries from the control of the local boards with a view to improve them. In order to combat the diseases more effectively, and for carrying out field investigation a well equipped mobile unit has been built up and has started work. There is a Provincial Veterinary Laboratory which assists in disease investigation, the small district laboratories. A Serum Institute has been working in the province. It produces sera and vaccines for protection of animals, against rinderpest. Orissa Government are improving their Provincial Live-Stock Breeding Farm. Arrangements have been made to get and maintain cattle of good breed. Cuttack is an area where pasture is often insufficient. Work on special pasture-grass has been done. An experiment on balanced rations was worked under village conditions at one centre in 1947-48. Products easily available in the village were given in a properly balanced form as rations and it was found that at very little extra cost, the quantity of milk was doubled and that a considerable increase in the size and weight of draught animals resulted.

## TRANSPORT

Nationalisation of road transport has been accepted. The Motor Vehicles Act passed in 1947 provides for the formation

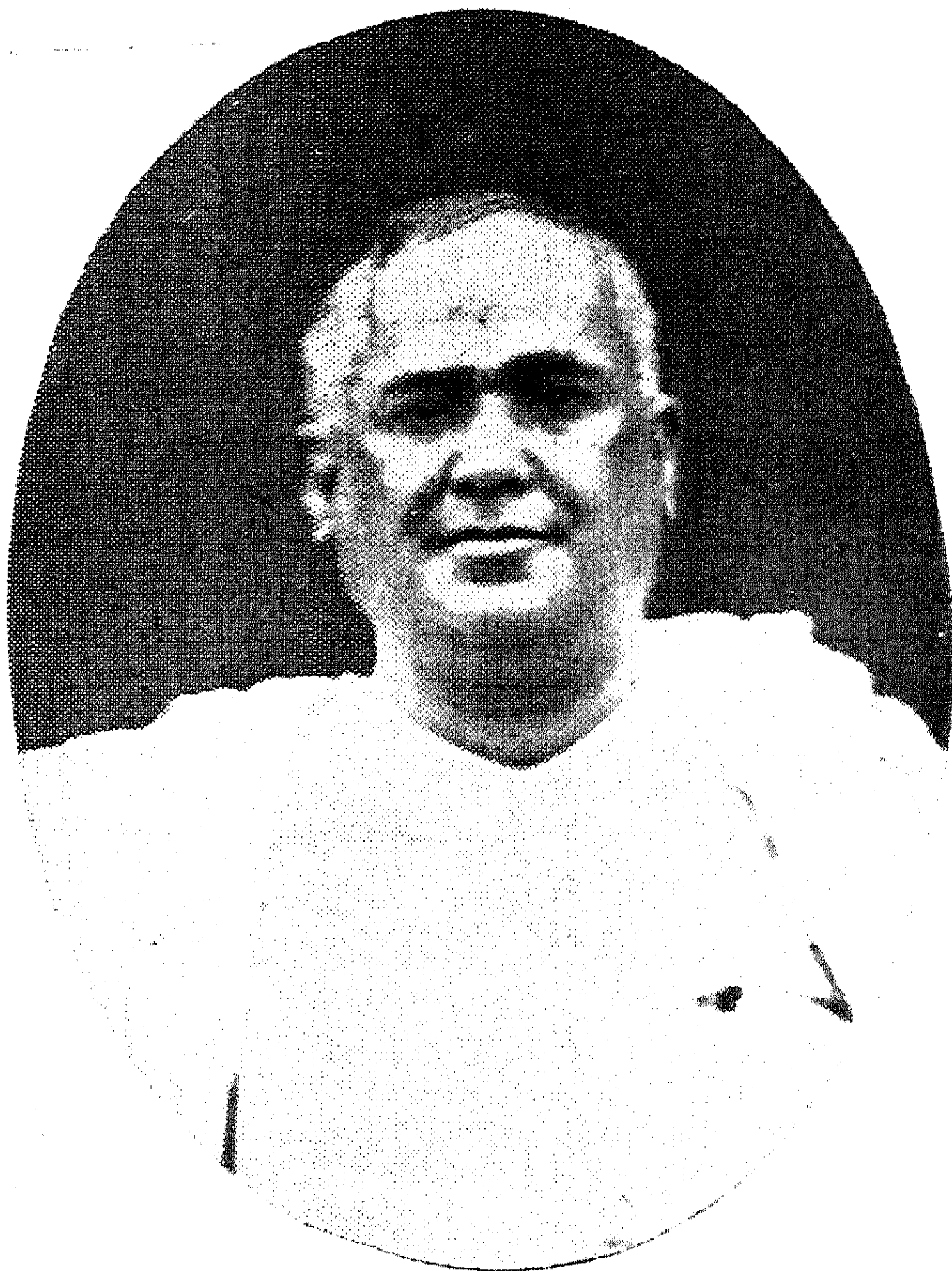




**Shri Lal Ranjit Singh, Bariha**

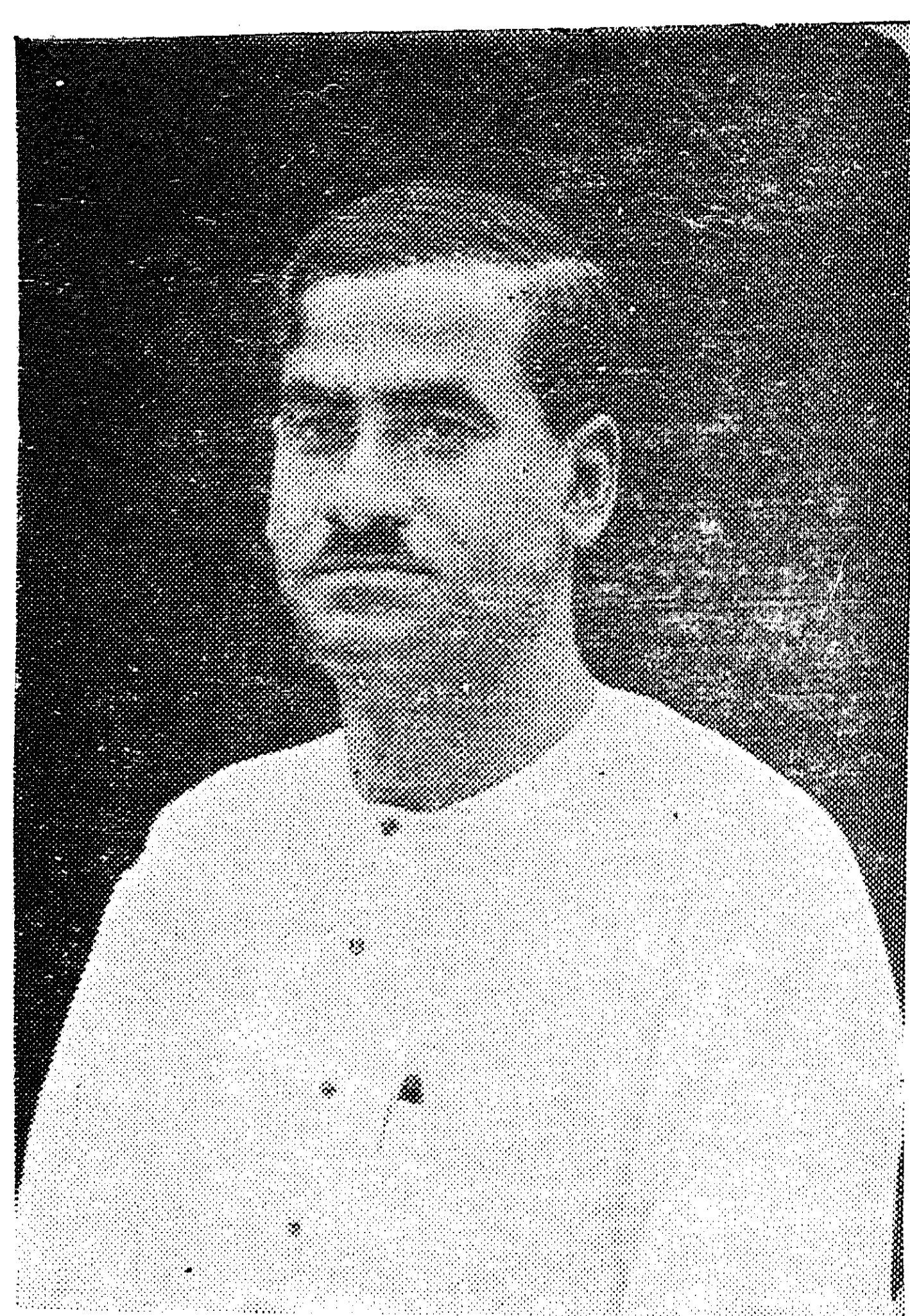


**Shri Nityananda Kanungo**

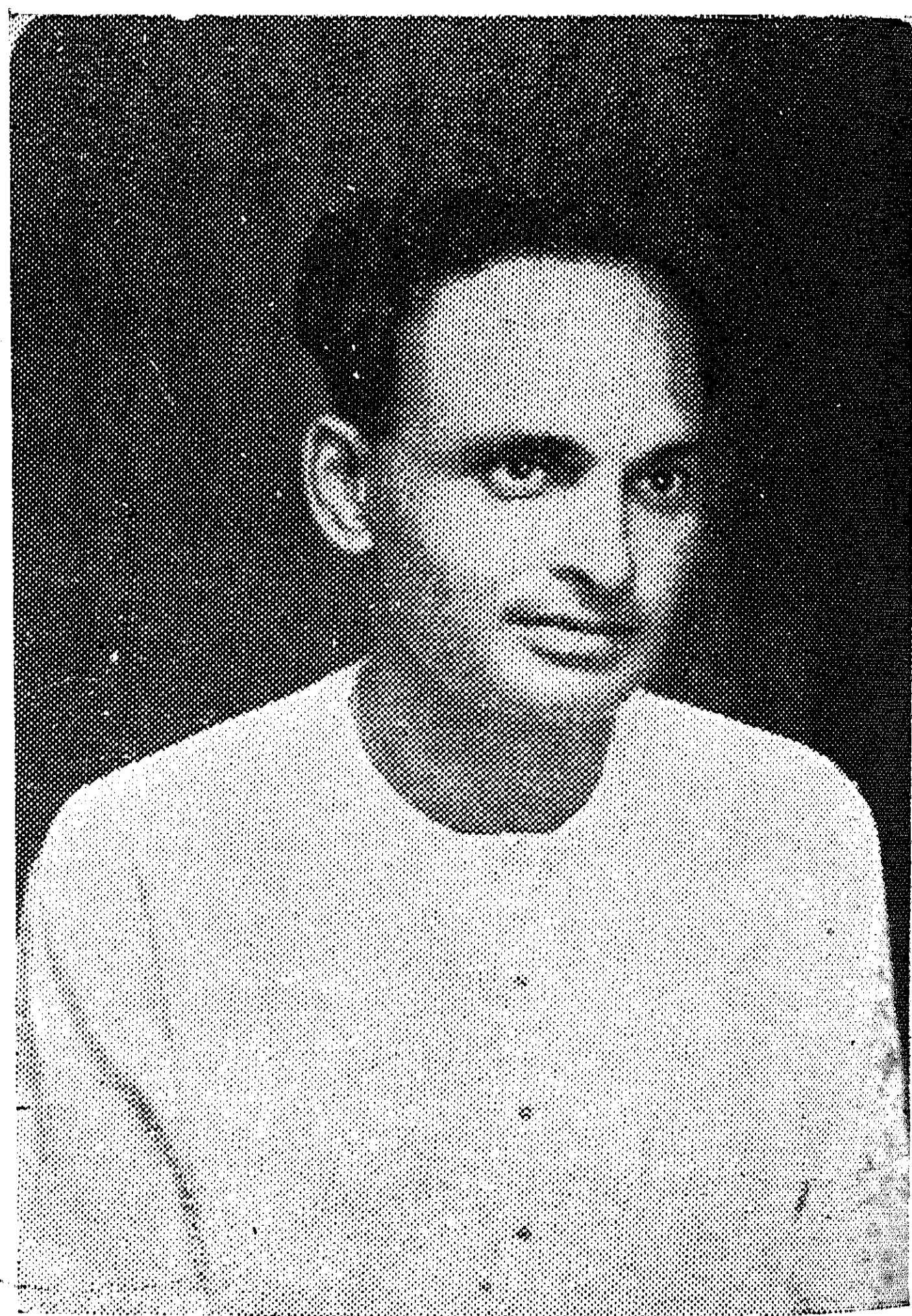


**Pandit Lingaraj Misra**





**Shri Raj Krishna Bose**



**Shri Sadasiva Tripathi**



of a joint stock company to extend gradually a monopoly service throughout the province both for stage carriages and public carriers. Details of the scheme are being worked out. A capital of nearly a crore of rupees will be required when the entire scheme is put into operation. The merger of the Orissa States with the province has, to a large extent helped in the nationalisation scheme by making it easy of implementation. Nationalisation in the States area has already been started by running an entirely State controlled stage carriage service in the two big States of Patna and Keonjhar. The services are being extended into the neighbouring areas.

## TENANCY REFORMS

The Government of Orissa have taken steps to protect the agriculturists and improve their economic condition. The under-ryots, non-occupancy ryots, chandudars and service tenure holders who form a large proportion of the tenants in the coastal districts of North Orissa had no security whatsoever against eviction by unscrupulous landlords prior to 1946. In such circumstances instances of forced labour were not unusual. Necessary amendments to the Orissa Tenancy Act have been made so that evictions cannot take place without justification. The Orissa Tenancy Act has been further amended so that division of tenancy by metes and bounds will be binding on landlords and will not be subject to the consent of the landlords as before, involving payment of high premium to secure that consent. Before 1946, the tenants under inamdars in South Orissa (Holders of land free of rent or on quit rent) had no protection against eviction. The Madras Estates Land Act which is in operation in the districts of Ganjam and Koraput of this Province, has been amended with the result that the tenants of inamdars have been given occupancy rights and they can no longer be so easily ejected.

The high rates of rent in the Zamindari areas of the district of Ganjam had placed the small holders at a great disadvantage, specially as the produce of their small holdings, is



hardly sufficient for their own requirements. In 1947, a law was passed wherein it was stipulated that the payment of current arrears by a certain date would amount to the wiping out of all previous arrears. This gave great relief to the small holders burdened by the high rates of rent in that area.

The question of abolition of Zamindaries has assumed special importance for some time past in this province as in several others. An expert committee has been set up which is about to complete its labours. It is also dealing with reforms in the land tenure system which will be introduced after the abolition of Zamindaries.

## THE TRIBAL PROBLEM

The hill tribes living in Agency areas have problems of their own which need immediate attention as well as a good deal of caution in the matter of introducing reforms. The simple minded tribals are likely to become easy victims of exploitation particularly in regard to their land. The headmen and their subordinates make a large number of realisations in money and kind on various occasions from them. These realisations are locally known as "mamuls" and result in endless harassment to these simple folk. A special officer has examined these "mamuls" in detail; and Government are considering the question of abolishing or modifying them very soon.

There was a law restricting the transfer of lands from hill tribes to non-hillmen. But devices were always found to avoid the provisions of that law and almost unimpeded transfers of land took place from the hill tribes to the non-hillmen. The law has now been amended and stringent provisions have been introduced to prevent this happening. Beside this measure, officers are being deputed to these tracts to look into the illegal transfers which have already been effected and to take steps to restore the lands to the hill tribes. In order to rescue these people from the clutches of the money-lenders, the Forest Department has opened 2 shops as an experimental measure to sell necessaries. These shops are running satisfactorily and 2 more shops are being opened soon.

In accordance with the recommendations of the Partially Excluded Areas Committee presided over by Sri A. V. Thakkar, a separate branch of the Planning and Reconstruction Department known as the Backward Classes Welfare Branch has been set up to look after the welfare of the tribal people.

One Residential Ashram (Boarding) School has been opened for Khond boys at Nuagaon in Ganjam Agency. Fifty-six students have joined this institution where provision has been made for teaching spinning, carpentry, improved methods of agriculture and for imparting literary education up to the lower primary standard. The aim is not so much as to make these Khond boys educated from the literary point of view as to make them useful citizens by improving their outlook on life and to enable them to earn their livelihood by following a vocation they were trained in while residing in the Ashram.

## PROHIBITION

The excise policy of the Government of Orissa has all along been maximum revenue with minimum consumption of liquor, but the object was not fully achieved as the figures of revenue and consumption were both on the increase in the past. The question of gradual prohibition was accordingly taken up in right earnest. In implementing their policy, the following measures were taken by the government:—

(a) The Bihar and Orissa Opium Smoking Act and the Central Provinces Opium Smoking Act were replaced by the Orissa Opium Smoking Act of 1947 which gives the existing addicts one year's time, after which opium smoking will be completely prohibited.

(b) As an experimental measure, foreign liquor, country liquor and toddy were prohibited in 16 police stations of the district of Cuttack from the first April 1947. That experiment

has been successful. It is now proposed to introduce this measure of prohibition in selected police-stations in the districts of Balasore and Puri also.

(c) Other measures taken for reduction of consumption of excisable articles are curtailment of hours of sale and limit of possession, prohibition of off-sales in the municipal areas, increase in the price of liquor and opium, stopping of sale of liquor by hawking in the district of Sambalpur, registration of opium eaters, restriction on issue of opium and opening of new excise shops.

## PUBLIC WORKS

The execution of a large number of projects in connection with the development programme of the government has been taken in hand. The provision of water supply and town drainage schemes in urban areas is under active consideration. A short survey of electric power and irrigation facilities was finished in 1946 in Ganjam district. A preliminary reconnaissance survey of Berthunga and Salkhi rivers was made. Three storage reservoirs for irrigation purposes along the Jhoro Nalla, the Godohado river and the Bontha Nala have been proposed which are expected to irrigate 6,000 acres, 15,000 acres and 4,660 acres respectively. Through these three storage reservoirs, it is expected that an additional area of 6,900 K. W. of power would be generated.

## LAW AND ORDER

For the maintenance of peace and order the Orissa Government has increased its non-military as well as Military Police forces. On 1st January 1948, the strength of the non-military police forces stood at 6,088. With the integration of the state, the permanent force was further increased by 3,309. The Military police force has been transformed into a battalion of regular military police composed of 4 companies with a total strength of 810 officers and men. A second battalion of 4 companies is being formed with a total of 802 men of all ranks.



All Orissa is now looking forward to two jobs being well done — the construction of its new metropolis at Bhubaneswar and the utilisation of the waters of the Mahanadi river for the generation of power on which the ultimate prosperity of all Orissa depends.

### THE ORISSA CABINET

Shri Harekrishna Mahtab, Premier	HOME, FINANCE, PLANNING and RECONSTRUCTION & PUBLICITY.
Shri Nityananda Kanungo	LAW, DEVELOPMENT, COMMERCE and LABOUR.
Pandit Lingaraj Misra	EDUCATION, HEALTH and LOCAL SELF GOVERNMENT.
Shri Lal Ranjit Singh Bariha	PUBLIC WORKS.
Shri Sadasiv Tripathi	REVENUE and SUPPLY and TRANSPORT.
Shri Raj Krishna Bose	BACKWARD CLASSES WELFARE.

## APPENDIX

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### THE ORISSA BUDGET

The R. E. for 1947-48 reveals a small deficit of Rs. 7.56 lakhs putting the expenditure at Rs. 657.03 lakhs and Revenue at Rs. 649.67 lakhs while in the Budget Estimate for 1948-49 the deficit has increased to Rs. 69.60 lakhs as the Expenditure is budgeted at Rs. 751.15 lakhs and the Revenue at Rs. 681.55 lakhs. For the budget year the Revenue shows a total increase of Rs. 13.37 lakhs from Stamps, Entertainment Tax, Tax on Sale of Motor Spirits and Sales Tax and an increase of about Rs. 30 lakhs under share of Income-Tax. As against these increases there is a total decrease of Rs. 50.08 lakhs mainly under Police (20.26 lakhs) and agriculture (Rs. 15.22 lakhs).

There is a net increase of Rs. 94.12 lakhs in the expenditure in the budget year as compared to R. E. of the last year. This is mainly due to an increase in post-war development expenditure from Rs. 212.55 lakhs to Rs. 331.06 lakhs. To give a proper view of the increase in expenditure on beneficent Departments, the figures for percentage increase in 1948-49 (B.E) over 1937-38 are shown below in brackets. The Budget provides for an expenditure of Rs. 97.10 lakhs (273 p. c.) on Education; Rs. 30.61 lakhs (270 p. c.) on Medical; Rs. 31.97 lakhs (1180 p. c.) on Public Health; Rs. 86.20 lakhs (598 p. c.) on Agriculture; Rs. 10.73 lakhs (940 p. c.) on Veterinary; Rs. 8.13 lakhs (656 p. c.) on Cooperation; and Rs. 18.96 lakhs (821 p. c.) on Industries. On the other hand, the expenditure on Civil Administration has shown only an increase of less than 182 p. c. from Rs. 82.33 lakhs in 1937-38 to Rs. 149.74 lakhs in the B. E.; the increase in General Administration being 105 p. c., on Administration of Justice 53 p. c., on Jails 27 p. c. and on Police 199 p. c. when compared to 1937-38 figures. Besides this the budget provides for Rs. 134.14 lakhs for expenditure on Civil Works and 82.83 lakhs on Irrigation Works. This expenditure is charged to Revenue Account.

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# *A Message from the Hon'ble Premier, United Provinces:*



These twelve months have been full of travail, trial and turmoil. The problems with which free India was confronted on its very birth were formidable and the ordeals through which it had to pass from day to day since were equally baffling.

Crisis followed upon crisis in quick succession during the last twelve months, but those at the helm of affairs have resolved all these in an admirable manner. They have not only got over the hurdles, but have continuously marched forward and reached the first mile-stone in our onward journey with renewed strength, fresh hope and unshakable confidence. The foundations of the Republic of India have been securely laid and the forces of cohesion and integration have prevailed over those of disruption and dissension.

This, on the whole, has not been a year of mean accomplishments. A lot remains yet to be done. The common man has not yet realised the thrill and joy of freedom. Many are still denied their due share of the essential commodities without which life itself cannot subsist. Disease and illiteracy and poverty have to be liquidated. A new social order based on equality of status and opportunity and freedom of thought, faith and worship has to be established. Exploitation has to cease and complete social rehabilitation based on economic freedom and sufficiency has to be ensured.



In order to achieve these objects everyone has to do his part actively and vigorously as an integral unit of the social organism and every individual has to address himself to this supreme task of construction of the new order with determination and faith. Every man and woman in new India is expected to play a full part in the building of the new social order and to discharge his or her duty efficiently and honestly so that every citizen may enjoy a joyful and nappy life.

G. B. Pant.

# United Provinces



## INTRODUCTION

THE United Provinces of Agra and Oudh is bounded on the north by Nepal, on the west by East Punjab and Rajputana, on the south by Central India and on the east by Bihar. It has an area of 10,6247 sq. miles and a population of 55 millions.

The United Provinces is a Governor's province with a bicameral legislature. Of the two Houses of Legislature, the Legislative Council has not more than 59 members and not less than 57 members, and the Legislative Assembly has 228 seats. The Congress Party is in an overwhelming majority in the Lower House and a Congress Ministry is in power.

The revenue receipts for the year 1948—49 is estimated at Rs. 45.87 crores and expenditure at Rs. 50.57 crores, leaving a deficit of Rs 470 lakhs. This deficit is due to the extension of prohibition policy in Kanpur and Unnao districts, provision for opening of 4400 primary schools, introduction of military training in schools and colleges and compulsory education in all urban areas of the province. The Government are to introduce two taxation measures—a general sales tax and a tax on agricultural income which are expected to yield a revenue of Rs. 500 lakhs, thus converting the deficit into a small surplus of Rs. 30 lakhs.

Other highlights of the current year's budget include provision of Rs. 2401 lakhs on nation-building activities or

economic welfare ; Rs. 216 lakhs on relief and rehabilitation of refugees and a capital outlay of Rs. 1041 lakhs on building, irrigation and hydro-electric projects.

## FOOD & AGRICULTURE

Following the recommendations of the Foodgrains Policy Committee, the Government of India suggested gradual decontrol of essential commodities. As a first step towards the implementation of this policy the U. P. Government decontrolled 59 towns. Government purchases were suspended and movement and prices of all foodgrains were decontrolled. Subsequently all remaining rationing commitments were terminated from May 15, 1948, to coincide with the arrival of the Rabi Crop. No scarcity was reported from any place. Prices started going down and it was expected that with the arrival of the next Rabi Crop, there would be a further downward trend in prices. But the arrivals of the Rabi grains have been disappointing, with the result that the prices have been steadily rising. The Government have, therefore, revised their policy and have decided to revert to the system of relief quota shops.

One of the most outstanding achievements of the year has been the Land Reclamation in Ganda Khadar and Tarai areas, where tractors were employed to upturn about 20,000 acres of virgin soil and this vast acreage of culturable waste land was rendered fit for cultivation. This means an addition of 2,00,000 maunds of food grains to the provincial granaries. Thirty tractors were simultaneously engaged in the task of eradicating Kans (a kind of weed having deep roots) from 7,000 acres of land in Jhansi Division. This enterprise will not only check further Kans formation but also yield additional 10,000 maunds of food grains.

It is proposed to mechanise some farms which will produce pedigree seeds and will demonstrate mechanised farming to the cultivators. Sixty lakhs maunds of compost have already been prepared and an all-out effort being made





Shri C. B. Gupta



Shri Girdhari Lal



Shri Hafiz Mahomed Ibrahim



to prepare some 25 crore maunds of compost which will increase the food production by 20 crores maunds. It is proposed to distribute about 7.5 lakh seedlings at a subsidised rate of 2 annas per seedling. Individuals who can establish their own nurseries will be given a grant of Rs. 500/-.

Though the scheme of Horticultural Development was started in 1946, actual work could be taken up only in 1947. Three thousand acres of new orchards have been planted and 2,300 acres of old orchards renovated. The scheme aims at the establishment of fruit nurseries, and the raising of fruit plants to nearly 1 lakh in number. The U. P. Fruit Development Board has been reorganised on progressive lines.

A Plant Protection Service has been established with a view to checking the menace of insect pests and plant diseases, which have been responsible for a loss of millions of rupees worth of food grains, vegetables and fruits.

Partition of the country has deprived the jute industry in India of raw jute supplies. To feed the jute mills in India, a development scheme has been started. Nearly 5 000 acres of hitherto waste land are being utilised for production of jute in the districts of Kheri, Sitapur, Gonda, Gorakhpur and Deoria.

The cultivation of lac has great possibilities in the U. P., specially in Mirzapur district. Fifty villages have been selected where demonstration of improved methods of lac cultivation has been arranged.

## IRRIGATION AND POWER PROJECTS.

The new irrigation schemes in the 5 year plan aim at extending the total irrigated area in the Province by 1.66 million acres. The irrigation channel system was extended by 300 miles to the already constructed canals. Among the schemes that have been sanctioned by Government are :—

(1) The Saprar Dam which will provide water for new canals in the Lakheri-Dhasan Doab and extensions of the Siaori



System on both banks in the Jhansi division ; (2) The Piprai Dam on the Naraini river ; (3) 1062 miles of new channels on the Sarda Canal.

In addition to canals, a number of tube-wells have been constructed by Government during the last 2 years under a scheme for constructing 600 new Tube-Wells. 450 such wells have already been completed. The tube-wells so far constructed have a discharge of  $1\frac{1}{2}$  cusecs. A new type of tube-well, the gravel packed Wells giving 5 cusecs is being tried and a scheme for constructing a few such wells as an experimental measure has been sanctioned by Government. Another experimental type of well being tried is the Radial Well, which is expected to give a discharge of 30 cusecs. One such well is under construction in the Head Beach of Sarda Canal.

## POWER DEVELOPMENT.

As a step in the implementation of the policy of judicious nationalisation and State control over electric power generation and development, Government took over the Azamgarh Electric Supply Company in May 1947 and acquired the Kanpur Electric Supply undertaking in September, 1947. It is proposed to extend the Power Station of Kanpur by installing an additional 15,000 K. W. set. This power station may eventually form a mid province link of a power system for the entire province.

Among the Power Projects undertaken by Government those already under construction include (1) the Mohammadpur Falls Power Station near Roorkee which will be the first to be completed. (4) Extension of the Harduaganj Power Station and the Sohwal Power Station, (4) Extension of Transmission Lines for the Ganga Hydel Grid Stage I, (5) the Sarda Canal Hydro-electric scheme, and (6) Sarda Hydel Transmission and Transformation projects. Pipri (Rihand) Dam and Power Station Project, is the biggest Power Project, involving the construction of a dam 280 feet high and 3100 feet long on the river Rihand in Mirzapur district, and will bring electrical energy to urban and

rural areas within a radius of 200 miles. Yamuna-Hydro electric Project is another major scheme for power development and will utilize for power generation a total drop of approximately 750 feet available in the Tons and Yamuna rivers. Betwa Power Project Stage I is the first power project to be started in the Bundelkhand region and consists of a storage dam at Piprai on the Naraini river and a power station at Dhulwan weir. Schemes prepared in addition to the above major projects include the Pathri Hydro-electric Scheme which will greatly relieve the pressure on the Ganga Canal Hydro-electric Grid, and a scheme for the electrification of rural and urban areas in Gorakhpur district which will actually serve as a pilot for the Rihand Dam Hydro-electric Scheme.

## HEALTH.

While fighting the poverty of the Kisans the Government have paid full attention to the menace of diseases and epidemics in the Province. The funds and personnel for control of epidemics and diseases have been increased. Jeep cars have been provided for quick transport of supplies and medical personnel to the rural areas. Government have provincialised most of the hospitals and in rural areas detached blocks are being constructed as adjuncts to existing hospitals and dispensaries. In some of the villages temporary hospitals were constructed to fight cholera, plague and other epidemics.

Malaria has been one of the greatest curses for the rural areas. A sum of rupees five lakhs was provided for drainage of water-logged areas where survey was carried on. A further sum of six lakhs has been spent on fighting malaria. Twenty travelling units of doctors, medical attendants and compounders have been touring the eastern districts of the United Provinces for fighting Kala Azar.

On the landmarks in U. P. Government's campaign to fight disease and epidemics has been the acceptance of most of the recommendations of the Bhore Committee set up by the

**Central Government.** As a first step towards the implementation of its recommendations, the U.P. Government have agreed to merge the Medical and Public Health Departments.

The U. P. Government have appointed a committee to suggest improvements in Ayurvedic and Unani systems of medicine. It is proposed to control and improve the Ayurvedic and Unani dispensaries and to arrange the training of Vaidis and Hakims on scientific and modernised lines. Attempts are being made to encourage research in these two systems of medicines. The existing colleges at Benares, Aligarh and Lucknow have been provided with funds to improve their research sections.

The Council of Physical Culture which was first brought into being in 1944, was reconstituted in 1946. The main function of this committee is to educate public opinion about the value of physical fitness and evolve means by which it could be achieved. The Council was able to achieve a great deal through private donations. A number of children's play centres, ladies' gymnasiums, a swimming station in the Naini Lake and a swimming boat-house at Lucknow have been erected as a result of private assistance. The Government opened a College of Physical Education at Allahabad where arrangements for imparting training in physical education have been made. A mass physical training and recreation scheme was evolved by the Council according to which ten training centres were opened in different parts of the city of Lucknow, where 500 men and women from 12 to 14 years of age received physical training everyday. Each one of them is supplied with one-quarter seer of standardised milk at half the cost. The trainees are also given free medical aid and uniforms at half the cost. If the experiment succeeds, it is proposed to extend it to other towns of the province as well.

## EDUCATION

The problem of education was tackled by the U.P. Government with understanding and imagination and an educational



programme was evolved. In accordance with this 10 year plan, 2340 new primary schools were opened in July 1947, bringing education to the door of about 99,000 children in some 5,000 villages. The entire cost of maintenance of these schools was met by the Government, which also gave a subsidy of Rs. 1,000 per school building. As the scheme for the expansion of primary education has evoked keen enthusiasm, Government have decided to double the pace of expansion and open 4,000 schools this year and to complete their plan in 5 years instead of ten as originally decided upon.

A sum of Rs. 150,000 was allotted for the building of 100 schools every year for 5 years, in view of the fact that the existing primary schools do not possess suitable building to house them. A sum of Rs. 1,00,000 was spent in making grants to district boards at the rate of Rs. 1500 per school to enable them to give grants-in-aid to private Hindustani Middle Schools within their jurisdiction so that they may be run on proper lines. Compulsory Primary Education has now been extended in 4 first class municipalities — Kanpur, Allahabad, Agra and Banaras and soon it will extend to nearly 65 municipalities in the province.

To cope with the growing need of trained teachers, 6 normal schools were opened in 1947 and 5 in 1948. Due to the dearth of trained teachers untrained teachers had to be employed in the new primary schools. To give these people at least a working knowledge of pedagogical theory and practice a system of emergency training through mobile squads was evolved at an estimated cost of Rs. 76,000 and 26 such squads of skilled teachers were sent out.

Government have also approved the conversion by 1952 of all the remaining ordinary primary schools for boys and girls maintained by District and Municipal Boards into Basic Schools. 1497 schools for boys and 197 schools for girls were accordingly converted into Basic Schools in 1947.

At the same time a programme of liquidating adult illiteracy will be vigorously pursued. A new orientation to the literacy programme is proposed to be given from this year in view of the basic urge of the illiterate adult.

The Higher Secondary institutions will be of four broad types, embracing the intellectual aesthetic and practical aspects of life. After passing out of these multilateral institutions the students will enter either the University for higher studies and research or join some polytechnic or take up employment in some industry or commerce. For those who are unable to proceed to High Schools, arrangements are being made for the opening of continuation classes where, in addition to general subjects, training in crafts will be imparted. A boy can join these classes in his leisure hours and when he comes out after receiving full training, his knowledge of crafts will enable him to supplement his income.

The introduction of compulsory military training in educational institutions will be another important feature from the current session.

The education of girls also has not been neglected, 4 new Government High Schools for girls were opened last year and 4 middle schools were converted into High Schools. During the next 4 years, 4 new High schools will be added each year. Several Government Anglo Hindustani Middle Schools and High Schools will also be raised to Higher Secondary status as a result of reorganisation of secondary education.

When the entire system of education has been reorganised so as to bring it nearer to life, it was also considered essential that the curriculum for girls should provide them adequate training to become capable wives and mothers, as well as useful members of society. This neglected aspect of women's education is being tackled by the establishment this year of a College of Home Science, where scientific and professional instructions will be given in house-craft, mother-craft, first-aid

and hygiene, child psychology and allied subjects. The college will also produce efficient teachers of domestic science in girls' schools.

The grant for the scheduled castes education was increased last year by Rs. 93,000 and exemptions from fees were granted to poor scholars from the infant to the University stage.

## INDUSTRY

A special department for large scale industries was created and schemes were launched for developing some large scale industries like cement, rayon and cotton mills for five years. The Department which is now designated as Department of Cottage Industries deals with small scale industries. Due to difficulty of transport and production of raw material several schemes could not materialize but funds were found to develop cottage and small scale industries.

There are 24 Government and 56 Government-aided technical and industrial institutions imparting training in oil and chemical technology, glass, textiles, dyeing and printing, leather training, carpentry etc. The total provision for this is about Rs 2 million. Besides, there are tutorial classes and peripatetic dyeing classes training over 1200 persons in various crafts at their homes.

Government sanctioned subsidies to the extent of Rs. 97,400 and distributed loans to the value of Rs. 215,000 for starting new industries and for expanding the existing ones.

In order to meet shortage of material several schemes were evolved e. g. for the production of caustic soda and soda ash from Reh. The production of mud plaster also was an important work. There is a well equipped science laboratory at the H. B. Technological Institute, Kanpur. There are a number of Industrial schemes to develop the cottage industries and to afford facilities for training and marketing. Among the schemes run by Government are :—U. P. Government Handicrafts, Cotton handloom, Wool industry, Khadi, Cottage oil,



Hand-made paper, Fibre, Pottery, Gur, Sericulture, etc. Government are giving every facility for the development of the Khadi and handloom industries. The Woollen industry is also being developed. The lac industry of the province is also being encouraged.

## TRANSPORT

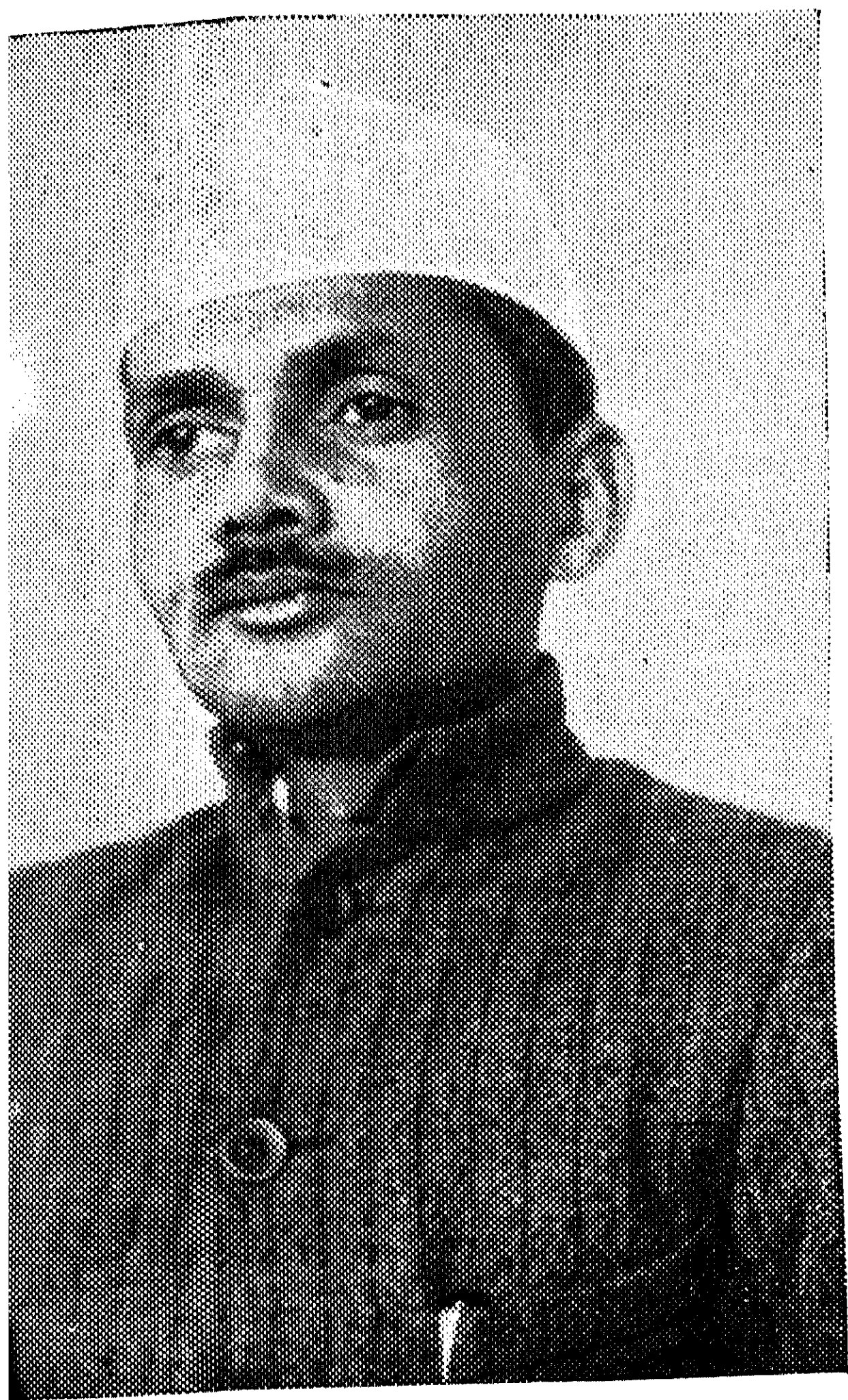
The U. P. Government's transport policy aims at providing maximum convenience to the public at the cheapest possible rates, and complete nationalization of the industry. Although it is not possible to bring about complete nationalization forthwith because of a number of difficulties, Government are going ahead with as rapid a pace as practicable. Under the rail-road coordination scheme it is proposed to replace the system of individual operation of motor vehicles by transport companies. In order to give the operators a fair deal, Government proposed to purchase their vehicles at a fair valuation and also to make exgratia payment to them in consideration of the surrender of their permits. But since the existing operators refused to participate in the scheme, Government have on their own initiative started bus services on three routes in each of the eight regions in which companies have been formed. These services will be extended gradually to cover other routes. The Provincial Transport Authority, with its headquarters at Lucknow, coordinates and regulates the activities of the Regional Transport Authorities and hears appeals against their decisions.

## LOCAL SELF GOVERNMENT

The District Board elections have been completed on the basis of an extended franchise, joint electorates and direct election of the chairman, now known as "President," by the entire electorate of the local areas.

A fairly comprehensive bill which aims at revolutionising the municipal administration has also been prepared. Its main features are introduction of adult franchise and joint electorates. The Panchayat Raj Bill, which gives self-government to the population in the country-side and decentralises administration

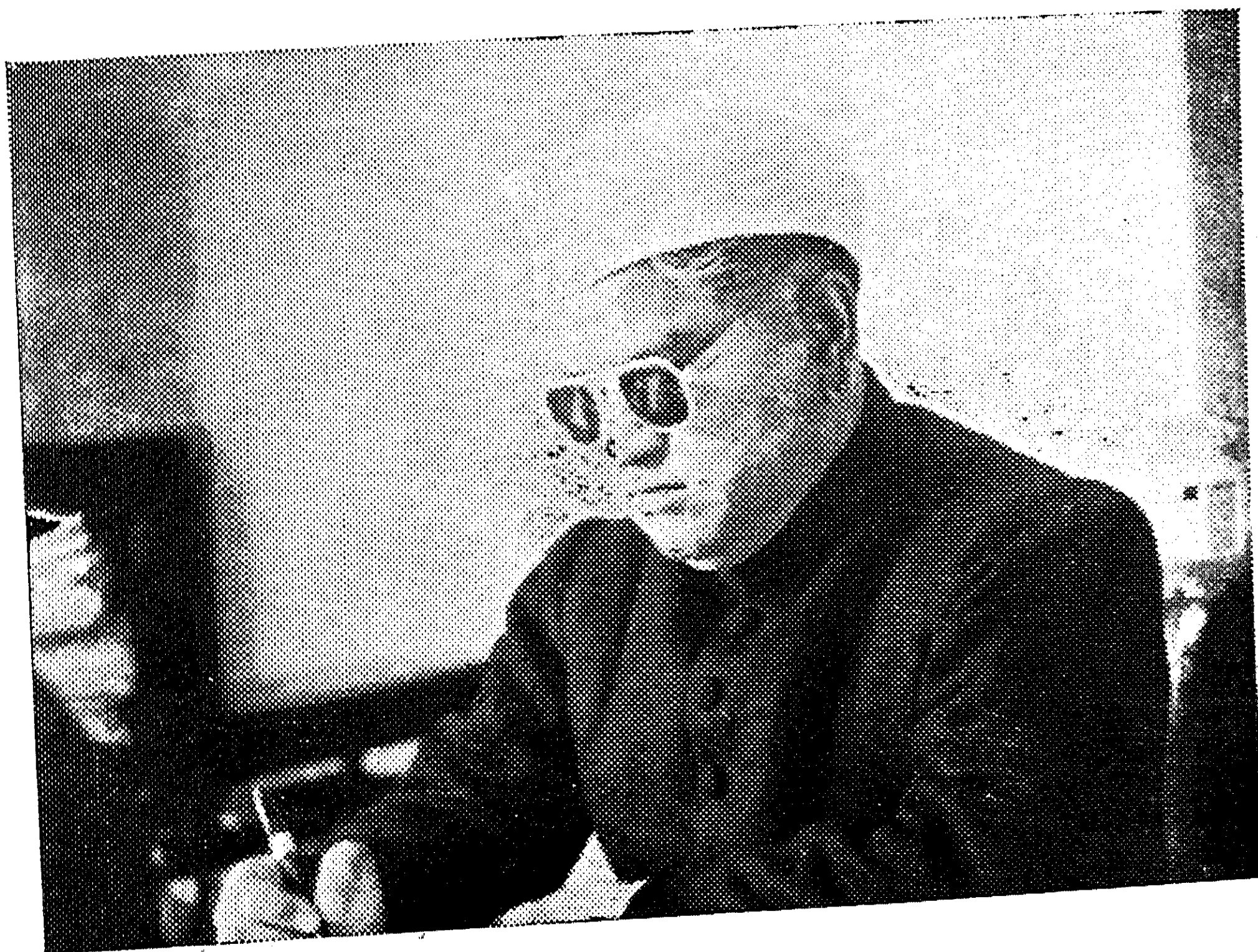




**Shri Lal Bahadur Shastri**



**Shri A. G. Kher**



**Shri Thakur Hukum Singh**

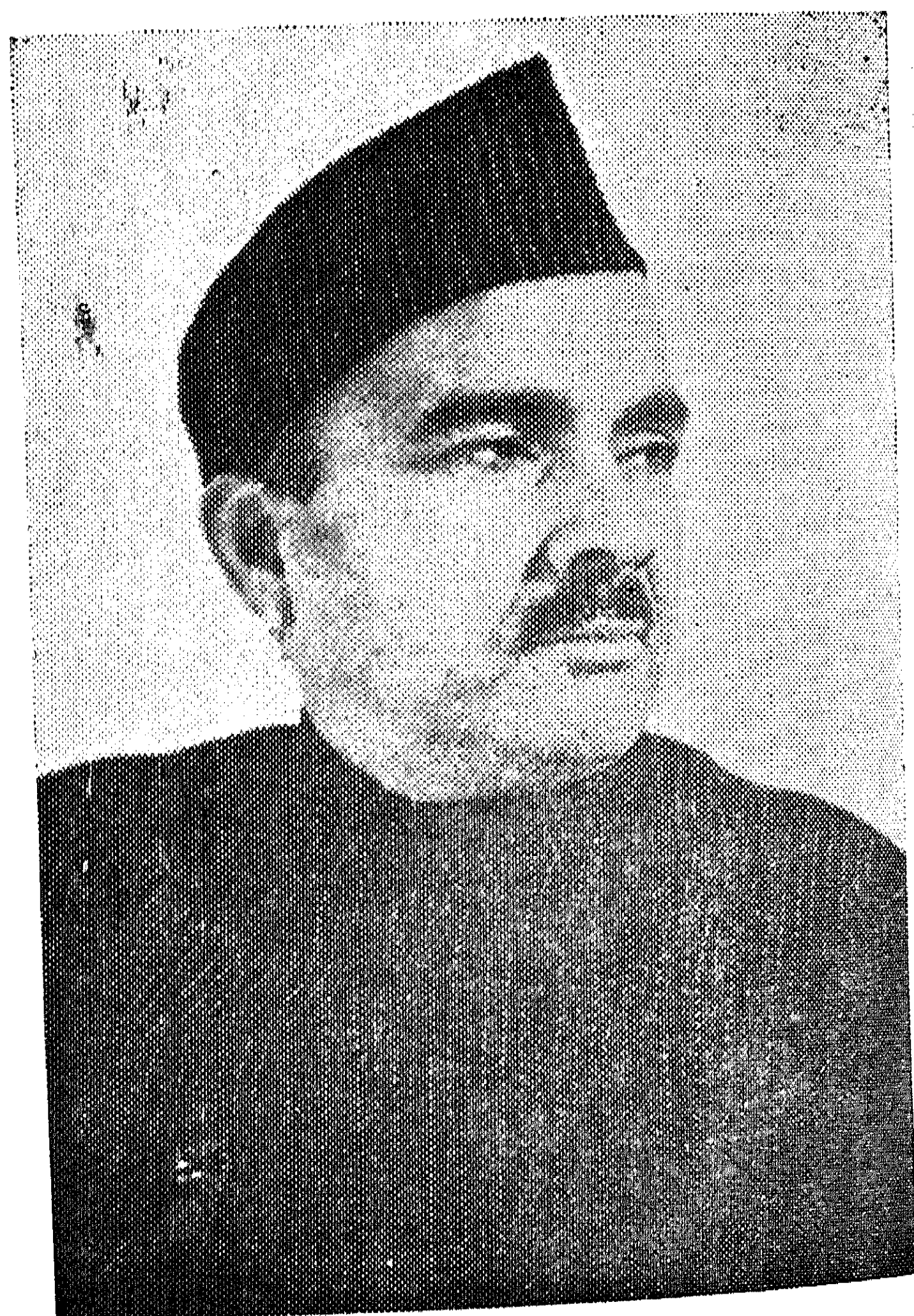




**Shri N. A. Sherwani**



**Shri Sampurnanand**



**Shri K. D. Malviya**



over a considerable sphere of activity has been passed. The details are being worked out and before the end of this year these Panchayats will come into being.

## COOPERATIVE MOVEMENT

The Cooperative movement in the province has registered great progress. Training of 9000 panchas and 3000 secretaries was taken in hand and one lakh of rupees were earmarked for this purpose. The Government also sent some people abroad for training in the various branches of the cooperative movement e. g. cooperative credit, agricultural cooperation, dairying, etc.

Steps are being taken to increase the production of milk by the distribution of oil-cakes at subsidised rates and advancement of interest — free loans for the purchase of improved breed of milch cattle.

The Cane Development Department which had hitherto been on a temporary basis has been made permanent and its development and marketing activities separated. Government have also decided to set up Development Councils for each sugar factory zone with a view to ensure intensive and planned cultivation of improved varieties of sugarcane. 95 such councils have since been formed.

It is now proposed to give interest-free loans to cultivators for the purchase of seeds, implements and fertilizers at an approximate cost of Rs. 6 lakhs. About 1500 masonry wells and an equal number of persian wheels are being installed to provide irrigation facilities.

A scheme for the repairs and deepening of tanks was launched in April 1948 in 22 eastern districts with a view to catch and conserve the maximum quantity of rain water in this area during the monsoon for irrigational purposes.

## DEVELOPMENT DEPARTMENT

With the expansion of the Government's development and nation-building schemes, the creation of an agency to coordinate

the activities of the various departments became a necessity and in July 1947 a Provincial Development Board was constituted with a view to assist in the economic development of the province. A Development Council of the board has also been constituted, which, in substance, is the Coordination Sub-Committee of the Cabinet. The Council takes all major decisions regarding the initiation of plans and the manner of execution of the provincial and regional plans.

The tree-plantation drive in September last and a compost Fortnight on the occasion of the Gandhi Jayanti to replenish the fast depleting forest wealth of the province and for the preparation of organic manure out of the rainy season vegetation and other waste materials in the countryside met with striking success. About 12 lakh trees are believed to have been planted during the week.

A Grow-More-Fruit Drive is shortly being launched and a District Cooperative Fruit Development Association is being formed in each district.

The Government have sanctioned Rs. 20,000 to be distributed as grants to owners of private nurseries who may be called upon to supply seedlings, grafts and mother plants, during the next tree-plantation drive.

## HARIJAN UPLIFT

Government have always attached special importance to the question of uplift of Scheduled Castes. They have constituted in January 1948 a Harijan Sahayak Department. The functions the Department include:—

Implementation of the provisions of the U. P. Removal of Disabilities Act, 1947.

Vigilance to ensure justice to aggrieved persons of the scheduled castes.

Uplift of scheduled castes through education, development, a better standard of living, cooperation and technical training.

Formation of District Harijan Uplift Association in each district, and

Economic development.

Government have also set up a Provincial Board under the presidentship of the Premier to advise on all matters affecting the interest of the Harijans and to coordinate all schemes and activities directed towards their uplift.

## ABOLITION OF ZAMINDARI

Government have set up a committee to make recommendations regarding the abolition of Zamindari. The Committee has completed its deliberations and its report is ready. The stage has been set for the abolition of Zamindari, which will revolutionise the agrarian situation in the province.

## LAW & ORDER

The troublous times through which the Country had been passing imposed a tremendous strain on the forces of law and order. September 1947 was the worst month for communal disturbances but very strong police and military action was taken to suppress disorder. As a result of stern measures, law and order was restored and within a month lawlessness was effectively crushed.

The rules for admission to the Police Training College, Moradabad, have been revised with a view to improve the standard of recruitment and training of Sub Inspectors and thereby raise the general tone and morale of the force. The minimum qualification has been raised from the High School to the Intermediate.

With a view to relieve the military from internal security duties and to keep them free to cope with urgent problems of



## APPENDIX

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### THE UNITED PROVINCES BUDGET.

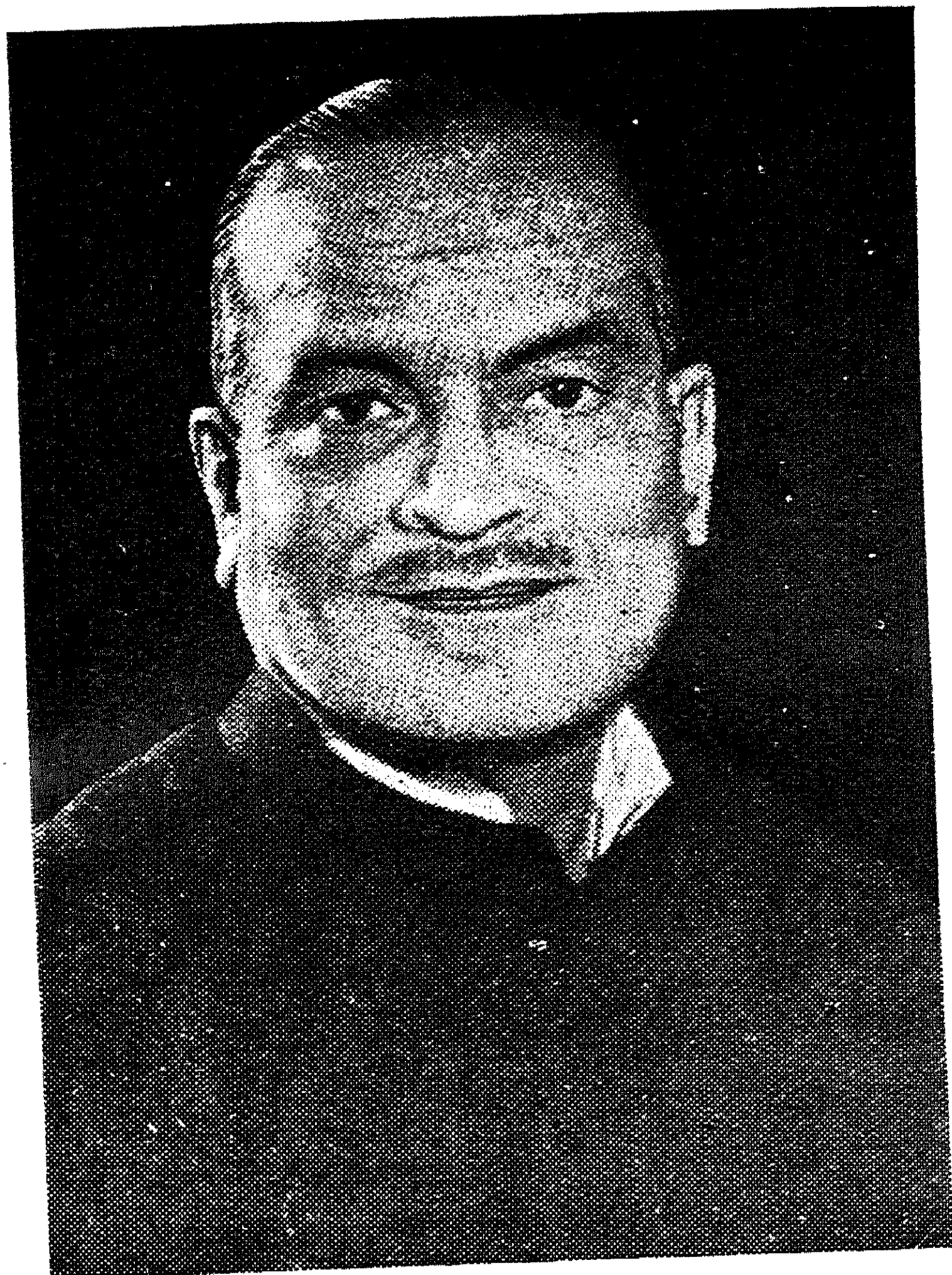
The Budget Estimate for the year 1948-49 shows a large deficit of Rs. 470.50 lakhs which is only Rs. 33.96 in the Revised Estimate for 1947-48, though in earlier years the finances of the province were well-balanced and even showed slight surpluses of Rs. 1.71 and 1.54 lakhs during 1946-47 and 1945-46. The Revenue Receipts have only increased from Rs. 3,935.81 lakhs in 1947-48 (R. E.) to Rs. 4,586.65 lakhs in 1948-49 (B. E.), but the expenditure on revenue account has increased from Rs. 3,969.77 lakhs to Rs. 5,057.15 lakhs during the same period. The large deficit is mainly due to the huge increase in governmental expenditure on nation-building activities as shown below.

For instance, the expenditure on Education increased from Rs. 396.55 lakhs to Rs. 531.93 lakhs in the two periods under consideration. Expenditure on Medical and Public Health has increased from Rs. 213.37 lakhs to Rs. 218.24 lakhs ; that on Rural Development (including Agriculture, Veterinary and Cooperation) from Rs. 233.73 lakhs to Rs. 370.13 lakhs ; on Industries including aviation from Rs. 82.53 lakhs to Rs. 120.36 lakhs ; on Civil Works charged to Revenue from Rs. 170 lakhs to Rs. 603 lakhs and on Irrigation etc., from Rs. 269.35 lakhs to Rs. 315.38 lakhs.

Of the total budgeted expenditure as much as Rs. 2,401 lakhs are proposed to be spent on departments catering for economic welfare and Rs. 216 lakhs on Relief and Rehabilitation of refugees. These two items form 51.7 p. c. of the total.

On the revenue side, there is an increase in the share of the divisible pool of income tax from Rs. 565 lakhs in R. E. for 1947-48 to Rs. 719 lakhs in B. E. for 1948-49 because of the Percentage increase from 15 p. c. to 19 p. c. But the extension of prohibition involves an extra loss of revenue of Rs. 62 lakhs. Seeing the large gap of more than Rs. 470 lakhs in the budget two new taxes—one a General Sales Tax and the other a Tax on Agricultural Incomes—have been proposed. The two taxes are expected to yield Rs. 4 crores and Rs. 1 crore respectively in the budget year thereby converting the deficit into a small surplus of Rs. 30 lakhs.

# *A Message from the Hon'ble Premier, Bengal:*

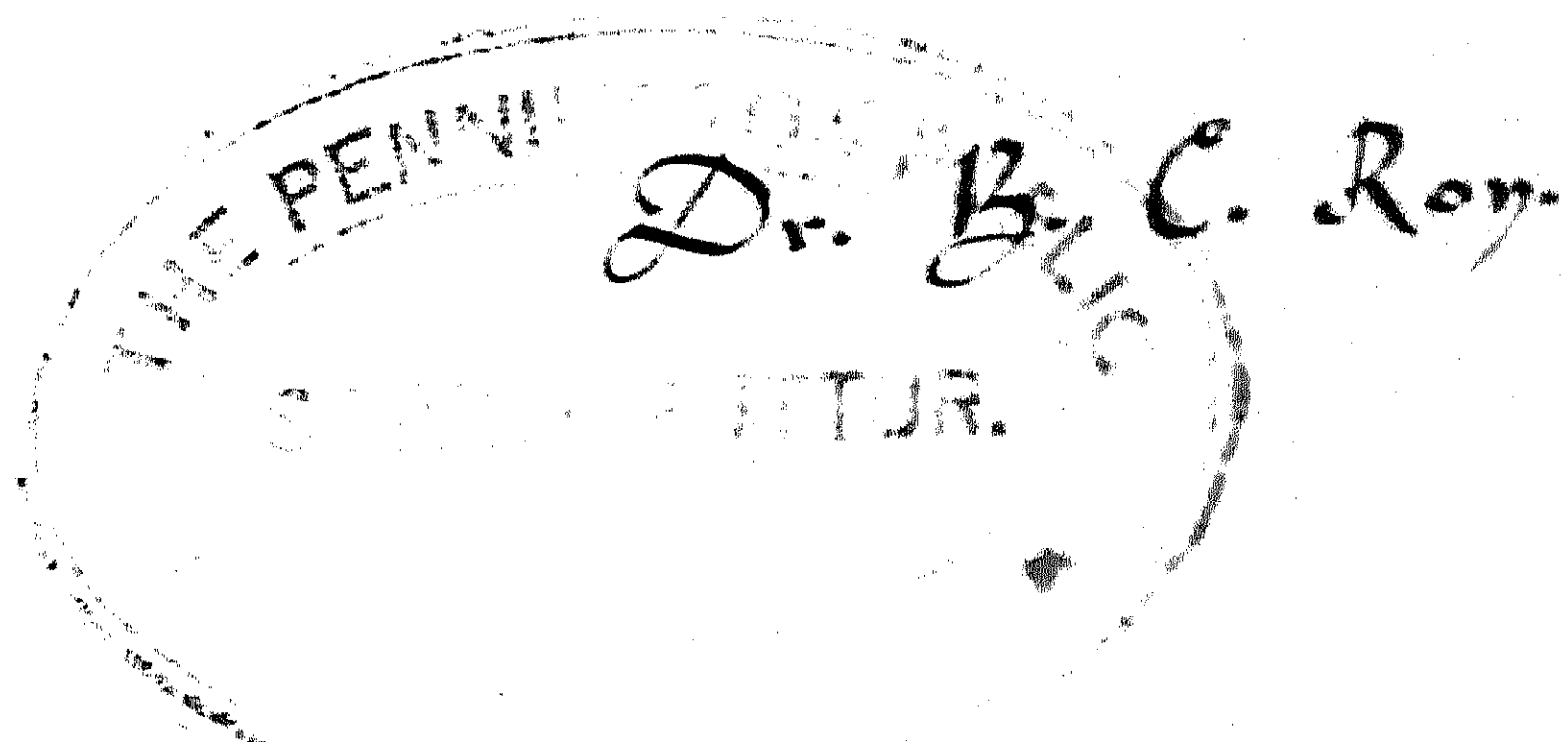


The narration of events which have followed one another in rapid succession since the 15th August, 1947, is a difficult task and perhaps a ticklish one. The scenes are changing so rapidly; the background against which we may review these events is varying from day to day. Whether we look at them from the narrow provincial point of view or from the national or international points of view, the units in the world, old and new, are fast getting so close together that what is happening in Brazil today affects the farthest corner of West Bengal.

Under these circumstances a narration made a month ago may appear obsolete today in some parts, may be totally inapplicable in other respects. But even so the record of events that follows will provide a running commentary on what has happened in this corner of India.

West Bengal has suffered badly from the partition and as days roll on, we find that the results of partition hang heavy on the West Bengal Administration. The finances have been ruthlessly cut down, there are no reserves, the pressure of population is high and is getting higher every day due to the large scale exodus from East Bengal for causes well known to all.

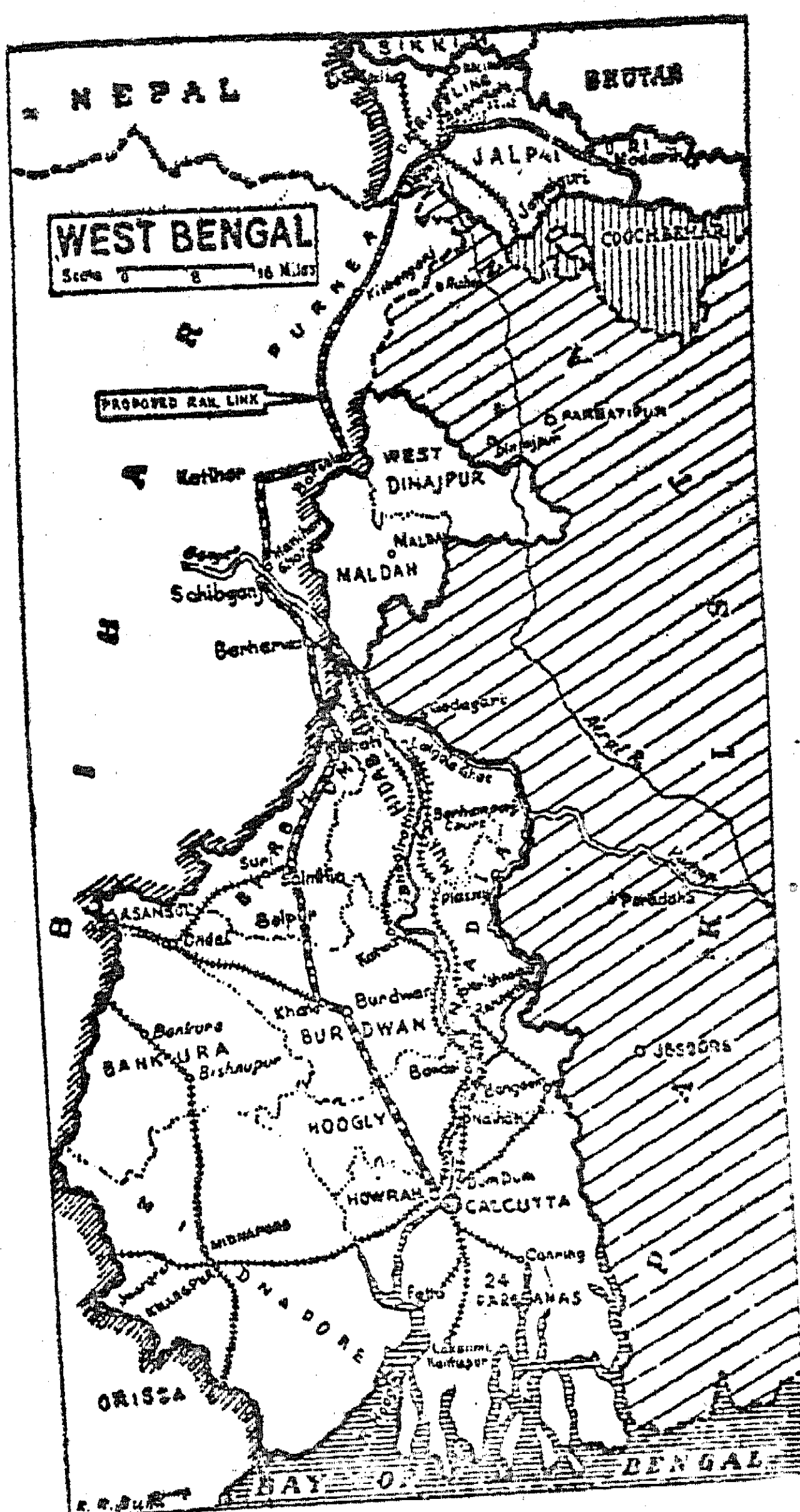
And yet we have survived a year of difficulty and distress and we have full hopes, God willing, of soon turning the corner. What we need is faith, hope and courage.







# WEST BENGAL



## INTRODUCTION

West Bengal consists of the whole of Burdwan Division, the city of Calcutta, the districts of 24 Parganas and Murshidabad and parts of Nadia and Jessore districts in the Presidency Division and the districts of Malda, Darjeeling and the major part of Jalpaiguri District and a little of Dinajpur District in Rajshahi Division. The total area and population of the new Province are respectively 27748 sq. miles and 21.2 millions. West Bengal is a Governor's Province. It has a unicameral legislature consisting of 90 seats. A Congress Ministry is in power.

The communal riots which had started in a virulent form in Calcutta on the 16th August 1946 became a chronic feature of the life of the city for about a year, and during the weeks immediately preceding the transfer of power on 15th August, 1947, they had turned into a serious menace to peace and security. Thanks to the exertions of Mahatma Gandhi who was then present in Calcutta, the transfer of power was effected on the 15th August amidst scenes of unprecedented communal peace and harmony, and the Congress Ministry assumed its functions in an atmosphere of goodwill and cooperation. Unfortunately in about a fortnight there was a recrudescence of rioting which government put down with a firm hand.

The first Congress Government of West Bengal were at the outset faced by the numerous problems created by the partition of the province. The personnel had to be divided according to the option exercised by the individual employees, resulting in a greater supply of men than of means of absorbing them. The Secretariat had to be hastily readjusted to conform to the new set up.

Moreover, on the date of Partition, leaving aside the cash in Treasury chests, the account of the late Government of Bengal with the Reserve Bank showed a debit balance of over 5 crores. This debit balance was, by direct negotiation between Pakistan and the Indian Union, allocated in equal proportions to East and West Bengal. The Government of West Bengal accordingly started with a debit balance of  $2\frac{1}{2}$  crores in the Reserve Bank partly counterbalanced by the cash balance in Treasuries amounting to about half a crore. In other words it started with a net negative opening balance of 2 crores.

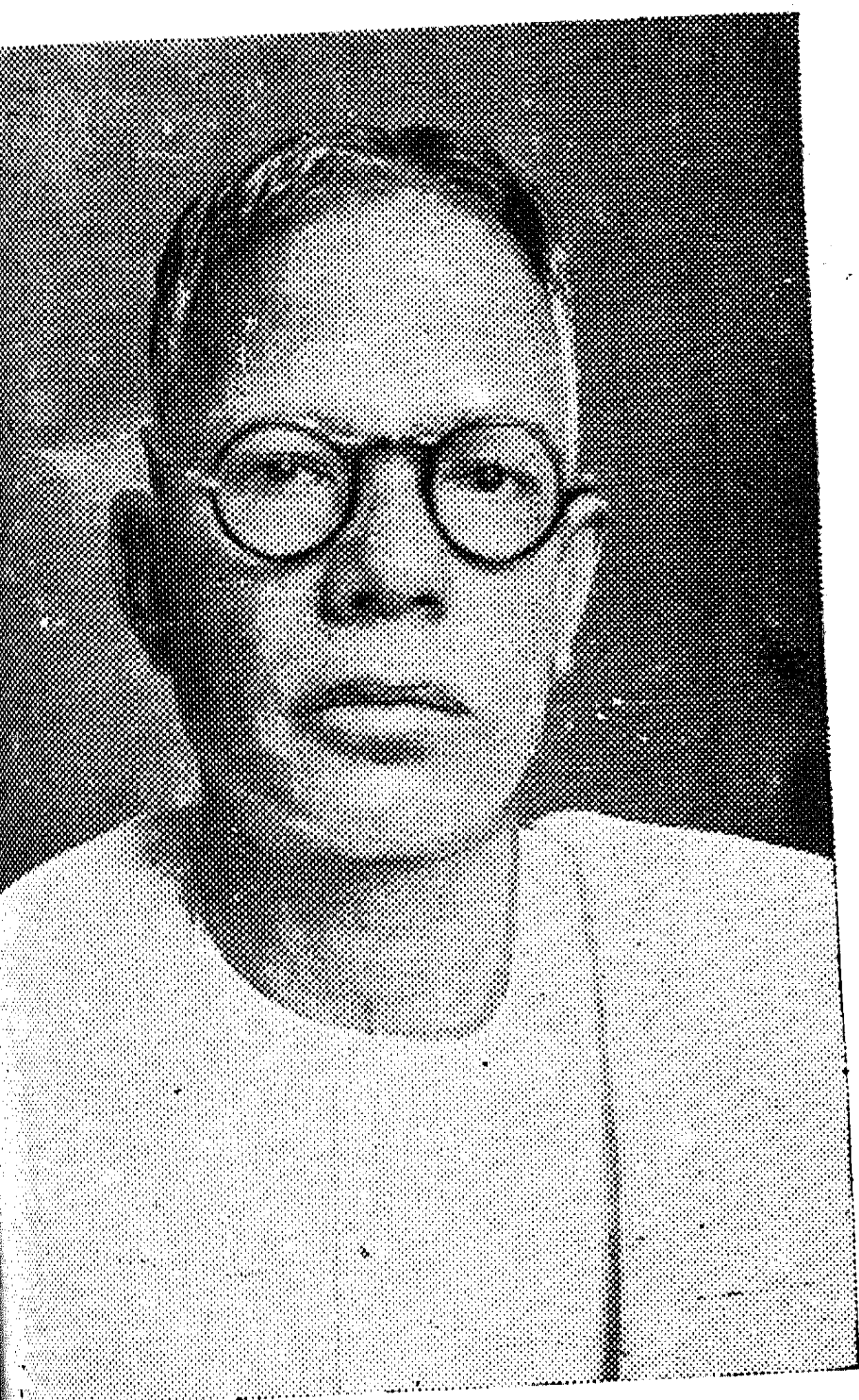
The current financial year started with the opening balance of Rs.  $2\frac{1}{2}$  crores. Revenue Receipts amounted to Rs. 31.19 crores against an expenditure of about Rs. 31.96 crores, thus resulting in a revenue deficit of about Rs. 1 crore. Debt, Deposit and Capital sections of the Budget is a debit balance of Rs. 1 crore representing mainly the net outlay on procurement operations, that is to say, the value of the stocks of foodgrains purchased but not sold off during the year.

A provision of Rs. 50 lakhs has been included in the estimates for improvement of transport facilities in Calcutta. Another provision of Rs. 20 lakhs has been made for the rehousing of the inmates of slums and bustees and of Rs. 50 lakhs for housing schemes of lower middle class people. Provision has also been made for a sum of 50 lakhs for the Kanchrapara area development scheme. A lump provision of Rs. 1 lakh has been set apart for the purpose of helping the establishment of a few community kitchens on experimental basis at selected centres in the city of Calcutta. The Budget provides for the





**Shri Kalipada Mukherjee**



**Shri Mohini Mohan Barman**



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**Shri Kiran Sankar Roy**



**Shri Hem Chandra Naskar**

establishment of a conciliation machinery, development of trade unions on sound lines and the opening of new labour welfare centres.

## RELIEF TO POLITICAL SUFFERERS

One of the first few acts of the Congress Government was to secure the release of all political prisoners and draw up a reference of assistance to political sufferers. This scheme will apply to persons or their families who have suffered and made sacrifices during the freedom movement and organisations and institutions that have suffered from official action during the 1942 movement. The Government scheme contemplates three categories of sufferers, viz, (i) distressed families of deceased political sufferers, (ii) old and disabled political sufferers, (iii) political sufferers educated or otherwise who are physically fit but are in acute distress owing to lack of employment. It is the desire of Government, to help the first two categories with suitable pensions and the third by helping them to secure employment. So far as institutions are concerned, it is the intention of the Government, as far as possible, to help such organisations as have suffered by official action in 1942 movement by destruction, occupation or confiscation of properties.

## FOOD

At the time of the transfer of power, the Government of West Bengal started with an insufficient stock of food stuffs. As a result of an extensive food drive, the Government succeeded in procuring within two months eighty thousand tons of rice and thus staved off famine which at one time seemed imminent. To ease the food situation a vigorous policy of procurement was adopted by (a) raising the procurement prices, (b) opening larger number of procurement centres, (c) granting additional facilities to procurement agents and Rice Mills and (d) compulsory acquisition of the surplus of the large producers.

The Government launched a vigorous campaign to put a stop to black marketing in which there was ready cooperation from the public. The united efforts of the Government and the



Public have helped to arouse a sense of panic in the minds of the black-marketeers, and black marketing has been throttled, if not killed. Some of the ministers themselves participated in raids on godowns of hoarders and in the arrest of persons engaged in contraband trade. Between 15th August and 15th November, 1947 Government seized a total quantity of 8½ thousand maunds of paddy and rice, 7568 pieces of cloth and 125 burl of yarn, which had been hoarded for purposes of black marketing.

## AGRICULTURE

For the purpose of carrying on agricultural research it has been decided to establish a large farm on an extensive plot of land (2,500 acres) at Haringhata. Government have provided funds for establishing an Agricultural College in the province. Schemes for the improvement of manure and for increasing the fertility of land are under the consideration of Government.

With financial assistance from the Central Government seeds, manure and iron for agricultural implements are being supplied. But as this assistance was not adequate for the heavy expenditure incurred by the Provincial Government, there was a recurring deficit under this head. With a view to avoiding this deficit, the Government of West Bengal have decided on adopting the Agricultural Credit plan on Egyptian lines which the Government of Bihar have introduced.

Besides the supply of iron and steel for agricultural implements, distribution of improved sugar cane cuttings, production of compost, establishment of seed stores, re-excavation of irrigation tanks etc. important development projects have also been undertaken.

An irrigation project has been launched by the Government of India supported by West Bengal and Bihar popularly known as the Damodar Valley Scheme. The scheme as a whole comprises 8 Dams, situated in Bihar and they are estimated to cost roughly about 55 crores. The project is expected to ensure



for Bengal protection from floods, irrigation facilities for about 9,67,000 acres of land mostly in West Bengal and electric power of about 3,00,000 K. W. available in Bihar and Bengal. There would also be indirect benefits in the shape of additional food between 2 to 3 lakh tons. Industrialisation, saving of cool afforestation and general development.

86 lakhs have been provided for the second part of the Mor Irrigation Project which will irrigate about a lakh and 20 thousand acres. 27 schemes for digging canals for purposes of irrigation have been prepared. Besides this, Government have accepted a plan of using tanks for purposes of irrigation.

Government have approved of a scheme for drafting the Bengal Fire Service, which was organised during the War, for the work of helping irrigation in addition to its normal duty of dealing with fires. Plans have been prepared by Government for the better preservation of forests and for the improvement of forest products. Government are also considering schemes for improving the supply of fish.

## HEALTH

The physical condition of the people of Bengal has been far below that of other provinces of India. This is largely due to prevalence of preventable diseases, malnutrition, lack of health education and physical culture. Of the preventable diseases Malaria is the most important. In the pre-partition days the average number of deaths from this disease alone was about half a million in Bengal. Malaria still remains by far the most difficult problem in this Province.

In order to materially help in solving the problems mentioned above, Government have decided to combine the curative and preventive measures for the sake of better coordination and efficient execution of work. For control of Malaria the Government have within the last three months distributed eighty lakhs of Paludrin and 50 lakhs of Mepacrine tablets and 16781 lbs. of quinine and 19231 lbs. of Cinchona. A training centre

has been opened for giving training in the essentials of anti-malarial work.

Government have undertaken the organisation of 130 Union Health Centres and 13 Thana Health Centres with attached dispensaries and hospitals with bed set at a cost of 30 lakhs of rupees supplemented by public donation of lands and buildings. These are programmed to be completed in the course of the current year.

At a total capital cost of about four lakhs of rupees thirty additional beds in the labour ward, various additions and improvements including the supply of 96 new microscopes have been made in the X-Ray, Anatomy, Physiology and Bio-chemistry departments of the Eden Hospital which has been expanded by the addition of 50 beds. Government have also taken up consideration of schemes for establishing a new T. B. Hospital and a lunatic asylum and also the expansion of the School of Tropical Medicine.

Government have under consideration schemes for establishing a Dental College in Calcutta, raising the Campbell Medical School to the status of a College and for starting yet another Medical College with arrangements for teaching in two shifts. In the meantime double shift arrangements have been introduced in the Calcutta Medical College to enable it to cope with the educational needs of increasingly large number of students seeking admission after partition.

In order to encourage women in rural areas to take up the profession of nursing and midwifery and in order to meet the vast requirement in this direction, it is proposed to establish schools in the different parts of the province in order to facilitate the speedy training of suitable persons.

For increasing the supply of drinking water, Government have accepted the plan of sinking 500 new tube wells and repairing 500 derelict tube wells. The target is to be 1500 in case and to achieve this in a short time Government have

offered to enlist private effort by offering supply of pipes, pumps and strainers to those areas where the inhabitants voluntarily contribute the sinking cost.

## EDUCATION

Government having decided that Primary Education in the Province should be based on the Wardha Scheme have deputed 11 teachers to Sevagram to take training in Basic Education under the auspices of the Hindustani Talimi Sangha who will after training start a Basic Training School at Bhadreswar (Hooghly). Government have also selected 50 men and women for training in Basic Education for one year at Balarampur (Midnapore) Rashtriya Siksha Bhawan. The trainees receive a stipend of Rs. 45/- each per month. On the successful completion of their training they would be appointed as teachers in Basic Primary Schools to be started in different parts of the Province. The Government of West Bengal in their budget estimates propose to spend Rs. 12,00,000/- (non-recurring) and Rs. 5,35,000/- (Recurring) during the financial year 1948-49 for the purpose of starting Basic Training Schools and introduction of Basic Education.

Control and administration of primary education in rural areas except in the districts of Darjeeling and Midnapur rest with the District School Boards set up in accordance with the provisions of the Bengal (Rural) Primary Education Act of 1930. The Municipal Corporation of Calcutta manage their own Primary Schools in the city which are all free. Control and supervision over the Primary Schools in Darjeeling and Midnapore districts is exercised by the District Boards. Primary Schools in municipal areas are managed by the municipalities. All the eleven districts with District School Boards are providing free primary education in their respective areas. The question of introducing free as well as compulsory primary education all over the Province is engaging serious attention.



Of the population of 2,31,04,456 not more than 16% may be considered as literate. To tackle this a comprehensive widespread illiteracy scheme with three-fold objectives viz: (i) liquidation of mass illiteracy along with training in some essential basic crafts with a view to improving the economic position of the masses, (ii) provision of indigenous community amusements and dissemination of useful knowledge and information through the radio and (iii) maintenance of literacy through the agency of circulating libraries, has been prepared and Government are considering the same.

Government have set up an Advisory Committee consisting of distinguished educationists and eminent public men to survey the entire field of secondary and higher education in this Province and to make their recommendations for the reorientation and reorganisation of the same.

As there has been a large influx of students from East Bengal and as the demand for higher education is steadily growing, arrangements have been made for taking in a large number of students in some of the Government Colleges, where additional staff has been sanctioned to meet this increased pressure. A scheme for the establishment of a new residential University is being considered.

## INDUSTRIES & LABOUR.

The policy of the Government is to encourage and effectively foster medium sized and cottage industries while providing ample scope to large scale private industries to develop under necessary control and regulation. Government feel that there is ample scope for all the three to develop side by side and it is their policy not to disturb this condition which they consider necessary for the economy of the Province under prevailing conditions. They would encourage mutual collaboration, complementary production and adjustment of spheres of operation of these three categories in order to ensure a balanced development of the Province. In regard to large scale industries the Government have clearly stated their policy indicating to

what extent they would allow free scope to private enterprise. This is in line with the policy enunciated by the Government of India. They would allow private enterprise to operate subject to control and regulation, start new key industries of their own if necessary, and take over those the running of which by Government would be in the best interest of the people. In order to render financial aid to small and middle sized industries, the Government contemplate the setting up of an Industrial Financial Corporation.

15 lakhs have been provided for Governments' participation in the Centres' scheme for manufacture of fertilisers. Silk Artisan's Cooperatives have been formed to develop the Silk Industry as a whole by organising the silk artisans on a cooperative basis and to make arrangements for finding suitable market for their products. 14 lakhs have been provided for development of the silk reeling industry and 8 lakhs for sericulture. Government have sanctioned Rs. 5 lakhs for developing Salt production. Substantial sums have been provided for assisting the production of Khadi, silk, molasses, handmade paper etc. on a cottage industry basis. A grant of 4 lakhs has been made for promotion of Khadi.

Two power schemes have been adopted by the Government of West Bengal. The North Calcutta Electrification Scheme aims at providing the neighbouring towns, of Naihati, Ranaghat, Shantipur, Kalna, Nabadwip, Krishnanagar, Dadkulla, Birnagar, Burdwan, Taktigarh, Rasulpur, Bainchi, Memari, Bakti, Pandua, Kanya and Magra with electrical energy by bulk purchase from the Calcutta Electric Supply Corporation and distributing it on a High Voltage Grid System. Government have acquired the Barrackpore Electric Supply Co., for stepping up its productive capacity. Government have also taken up for consideration schemes for supply of electricity in bulk from Kharagpur to Midnapur and from the North Calcutta scheme to Berhampur and extension of electrification to Jalpaiguri and Darjeeling under hydro-electric power from the Jaldhaka river.

Government have not been unmindful of the problems of industrial labour. Work Committees have been established for amicable settlement of differences between employers and workers. Tribunals have been set up for adjudication of disputes not amenable to amicable settlement. The policy adopted is calculated to increase production by discouraging strikes and lockouts and lead to settlement of disputes by peaceful means. To give a concrete shape to the idea of eliminating class exploitation Government have taken up the question of minimum wages, accommodation, maternity benefits, old age pension and medical relief for workers.

## LOCAL SELF GOVERNMENT

The practice of nomination to District Boards, Union Boards and Municipalities has been discontinued. A committee is being appointed to explore ways and means to improve the financial position of District Boards and Municipalities so that these bodies may take up progressive plans of work. A grant of Rs. 10 lakhs to District Boards and about Rs. 7½ lakhs to Municipalities has been sanctioned for the improvement of roads.

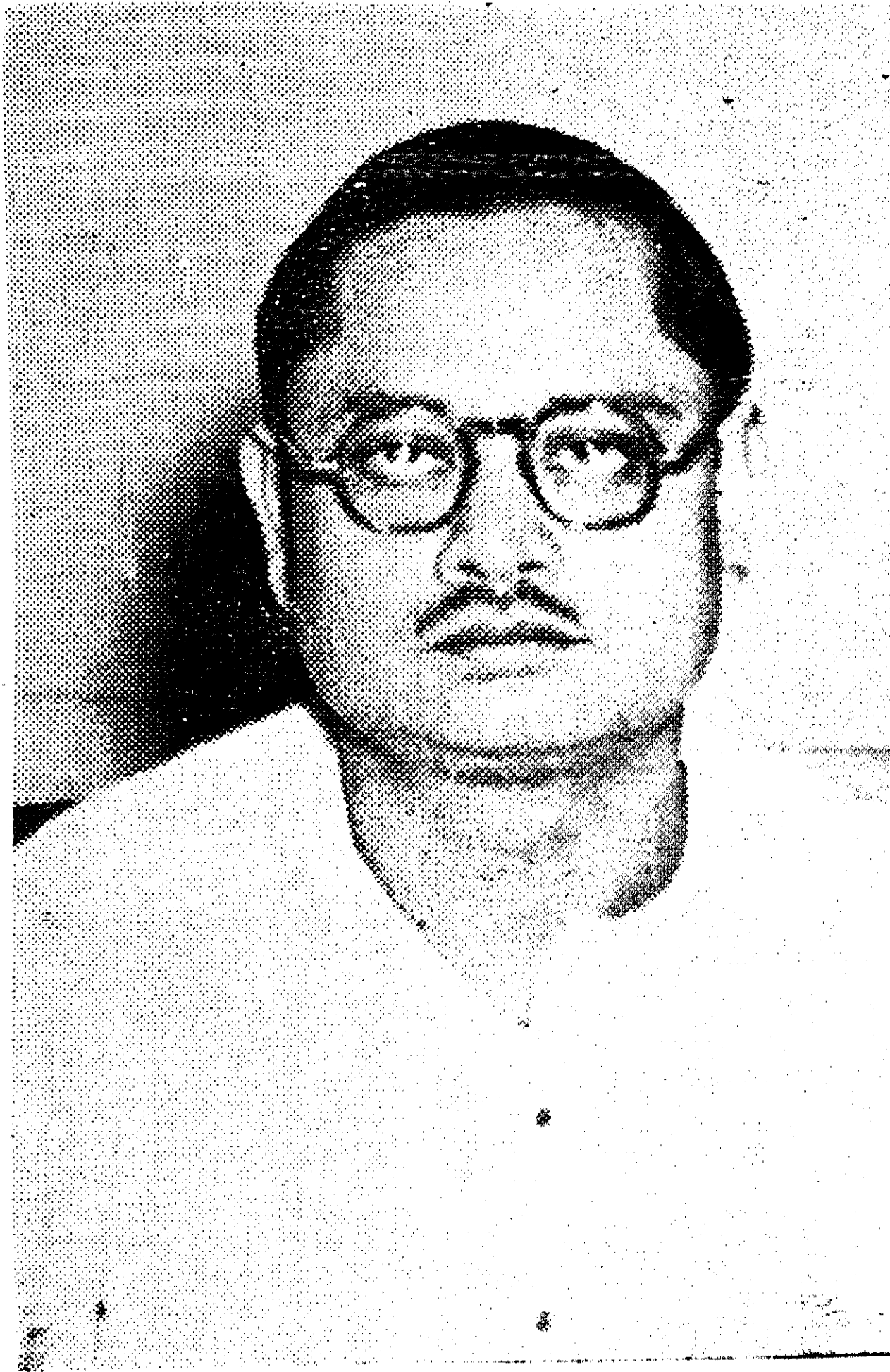
## DEFENCE

West Bengal is raising a village Defence Volunteer Corps to be known locally as "Jatiya Rakshi Bahini". Twenty villagers from each or groups of the 330 villages along the 610 miles eastern border of the Province will be recruited for training. One hundred trainers have already been selected and placed under the Army Area Commander for training and it is expected that in the course of a year nearly 62000 villagers would be able to receive training. The recruitment to the Corps has been made by Selection Committees consisting of officials and non-officials. The Corps when raised will help the police in times of emergency and members of the Corps will work under the control of the District Magistrate. Government intend to provide the members of the Corps with arms as these are available.





Shri Bhupati Mazumdar

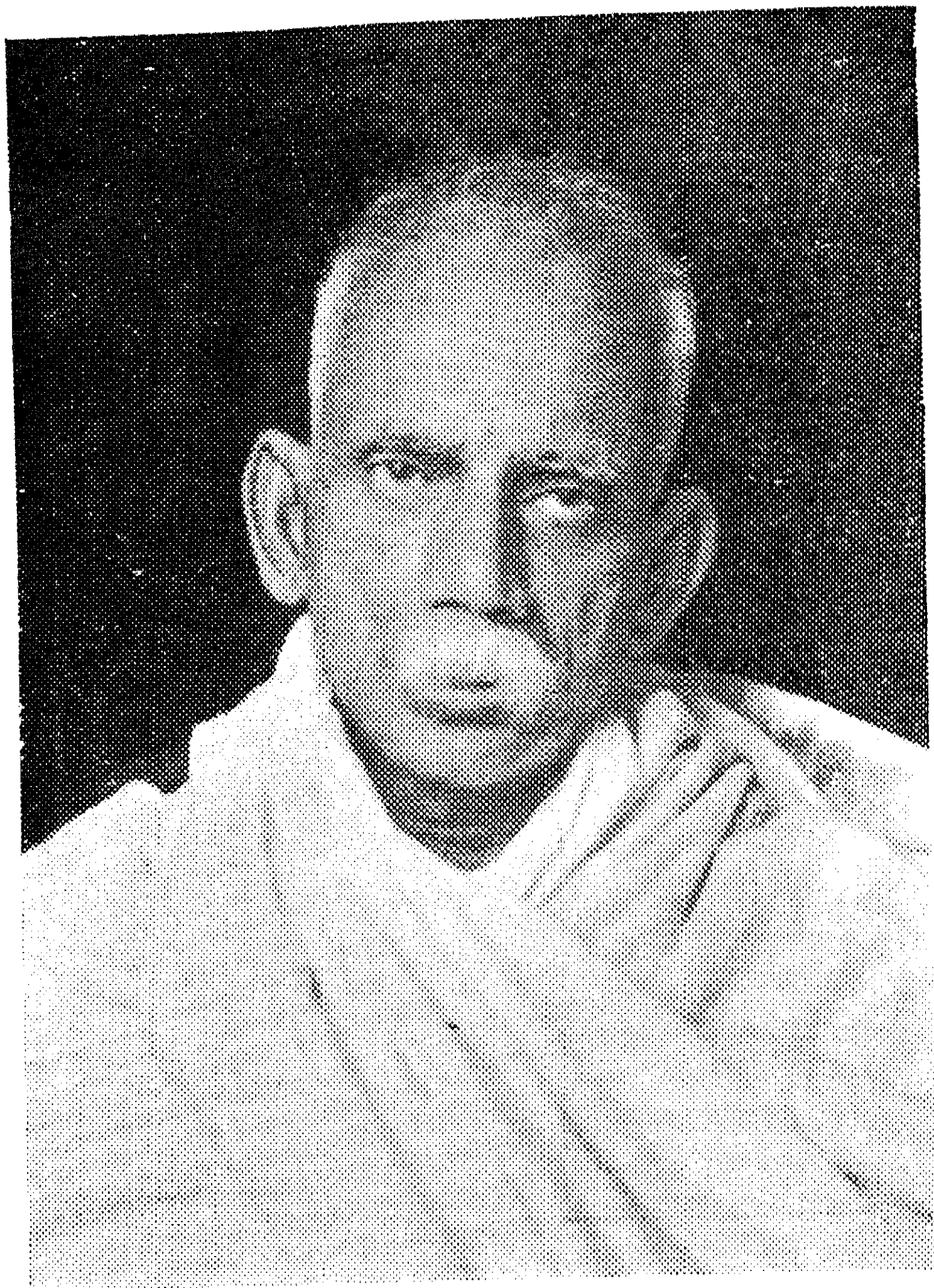


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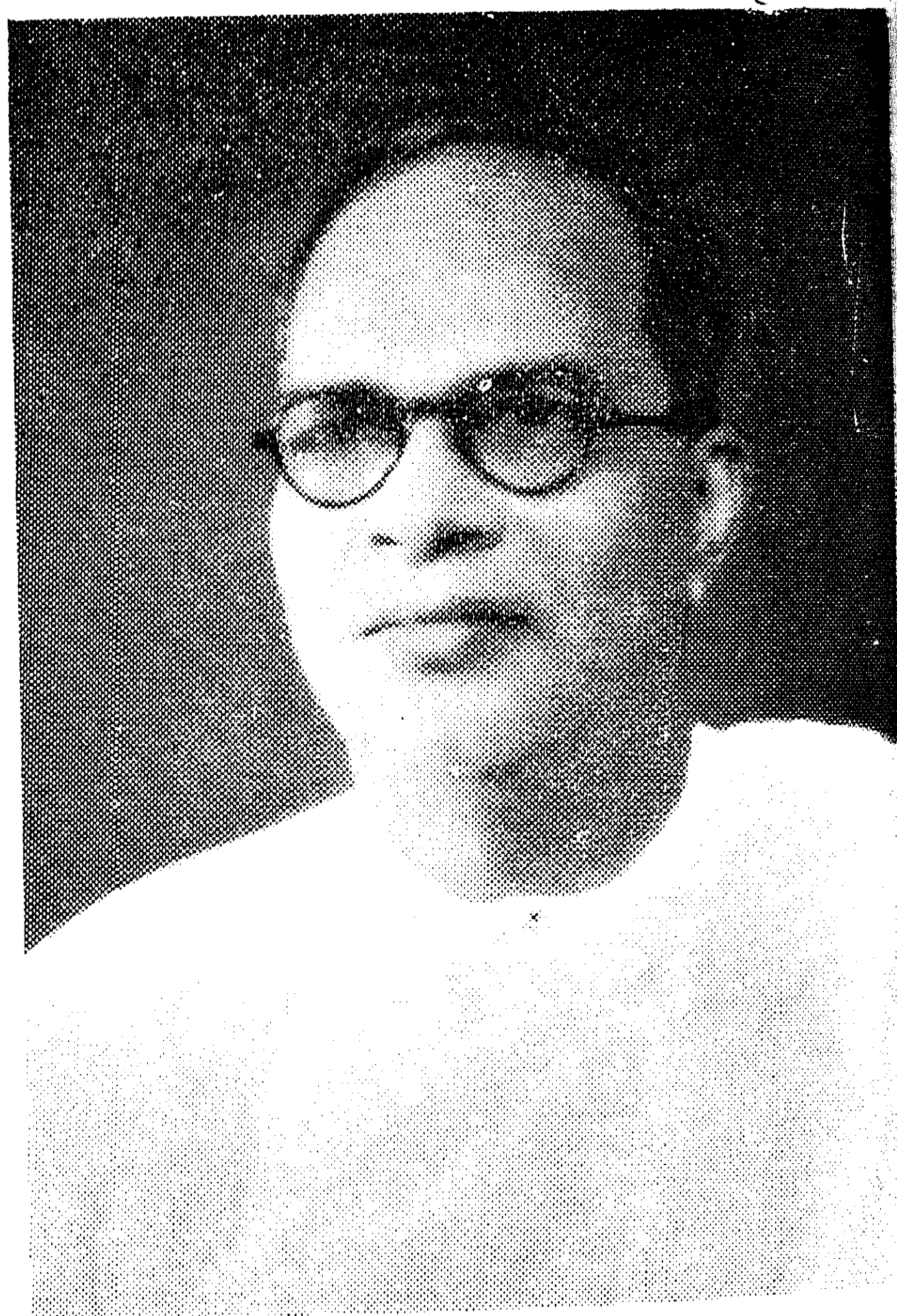




**Shri J. N. Panja**



**Shri Harendra Nath Choudhury**



**Shri Nalini Ranjan Sircar**



The Government of West Bengal also propose to raise a National Volunteer Corps on the lines of the Indian National Cadet Corps sponsored by the Army. It is proposed to select 500 boys from schools and colleges and train them for this Corps. After proper training they may be expected to join the Army as 'regulars'.

The Provincial Government have been able to persuade the Central Government to raise a Bengali militia. Recruitment from Bengali ex-service men has already commenced. A training centre is being opened in Calcutta, for these new recruits.

## ROADS AND TRANSPORT

The West Bengal Land (Requisition and Acquisition) Bill has been introduced to enable Government to acquire land at short notice for the construction of vital roads. Rs. 50 lakhs have been provided for improvement of transport in Calcutta.

400 miles of roads linking up border towns and villages with the rest of the province have been programmed for immediate construction to facilitate the guarding of the Provincial border, procurement of food and other important trading operations. The pre-partition 20 year road development programme is being revised and pending such revision certain important road connections have been taken up as high priority for execution in the current years programme.

## RELIEF TO REFUGEES

Ever since the partition of Bengal non-Muslims from East Bengal have been coming into West Bengal in a steady stream. The migration which was in the beginning confined to the well-to-do and middle class families, subsequently spread to the agriculturists, artisans and others. Of the agriculturist refugees, many among them have been able to find land on their own account and in some cases with the assistance of the District authorities they have been able to secure land from the local Zamindars. It has been arranged that every such refugee agriculturist would receive an interest free loan of Rs. 2,000 for



maintenance of his family of six members for the first nine months, for buying bullocks, utensils, agricultural implements, etc. After nine months this amount will bear interest. About 15 thousand agriculturist families have been thus rehabilitated. Government have prepared plans to acquire land for those who had no land for themselves. It was proposed to provide a maximum of 5 acres of land to each cultivator family. In the district of Nadia alone 12 thousand cultivator families have been settled on such lands.

For the housing of refugees unoccupied buildings and buildings released by the Army such as air-fields etc. have been acquired and about 15 lakhs of rupees have been spent on the repair of such buildings. Rs. 12 lakhs have been allotted to the District Magistrates for distribution of loans to the refugees. Building materials are also being distributed to the refugees. In spite of their best endeavour, however, government are experiencing the greatest difficulties in providing shelter to these homeless people.

## PROHIBITION

A policy of introducing Prohibition by gradual stages and making it effective by creating public opinion in its favour has been decided upon and the following measures have been adopted to implement it :—

- (1) Gradual abolition of shops through the Agency of the District Excise Licensing Board.
- (2) Prohibition of grant of license except with the approval of Government.
- (3) Upgrading taxation by stages, the rates of taxation in West Bengal now being the highest in India.
- (4) Reduction of working hours of excise shops by three hours in Calcutta.
- (5) Intensive drive against illicit practices, and
- (6) "Dry Saturdays" in Calcutta and in other industrial areas of the province.

## ABOLITION OF ZAMINDARIES

Ten lakhs have been provided for preliminary expenses in connection with the preparation of records and assessment of claims for compensation for the abolition of the Zamindari System pending final decision of rates and mode of payment of compensation at all-India level. The details of the programme of abolition of Zamindari are being worked out jointly with other provinces.

## ANTI-CORRUPTION DRIVE

To stamp out dishonesty and corruption from every sphere of administration, the Government of West Bengal have set up an Anti-Corruption Department at the provincial headquarters and appointed District Anti-Corruption Officers for each district. This organisation has been investigating such complaints and a large number of cases of corrupt practices have been detected and investigated. A number of employees have been suspended, dismissed or convicted. The organisation has received a large measure of public cooperation.

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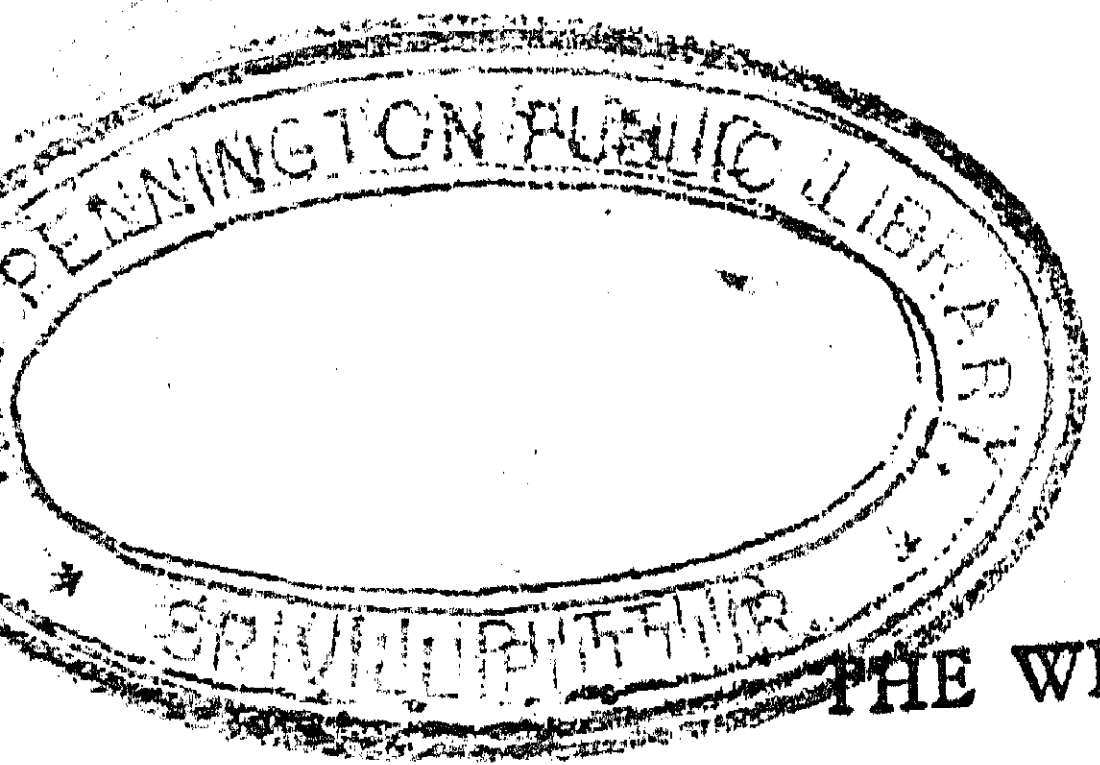
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JUDICIAL AND LEGISLATIVE  
LABOUR.

IRRIGATION AND WATERWAYS.  
FOREST AND FISHERIES.

EXCISE.



## APPENDIX

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### THE WEST BENGAL BUDGET.

While the Revised Estimate for the period from 15th August, 1947 to 31st March, 1948 shows a substantial surplus of Rs. 241.28 lakhs putting the revenue at Rs. 1,888.26 lakhs and expenditure at Rs. 1,646.98 lakhs; the Budget Estimate for 1948-49 turns this surplus to a deficit of Rs. 77.93 lakhs estimating the revenue to be Rs. 3,118.52 lakhs and expenditure to be Rs. 3,196.45 lakhs.

The total revenue receipts for the budget include a sum of Rs. 61 crores on account of grant from the Centre for financing Development Projects. The "Ordinary" Revenue, therefore, amounts to Rs. 24½ crores principal items being Rs. 1 crore under Jute Duty; Rs. 3.60 crores under share of Income-Tax; Rs. 40 lakhs under Agricultural Income-Tax; Rs. 2 crores under Land Revenue; Rs. 6 crores under Excise; Rs. 2½ crores under stamps and Rs. 5 crores under Sales Tax and Cognate levies.

The Revenue Expenditure for 1948-49 is budgeted at Rs. 3,196.4 lakhs out of which Rs. 657.43 lakhs are on account of Development Projects financed out of the grant obtainable from the Central Government. Showing the expenditure due to development schemes within brackets, the ordinary expenditure on Department of Education is estimated to be Rs. 214.53 lakhs (84.02); on Medical Rs. 106.69 lakhs (248.88); on Public Health Rs. 48.9 lakhs (65.09); on Agriculture Rs. 231.12 lakhs (70.77); on Veterinary Rs. 10.15 lakhs (0.53); on Cooperation Rs. 12.97 lakhs (21.74); on Industries including expenditure on Fisheries and Cinchona Rs. 70.01 lakhs (71.61), on Civil Works charged to Revenue Rs. 172.32 lakhs and on Irrigation works etc. Rs. 77.09 lakhs. There is an additional expenditure of Rs. 479.96 lakhs on development outside the Revenue account.

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